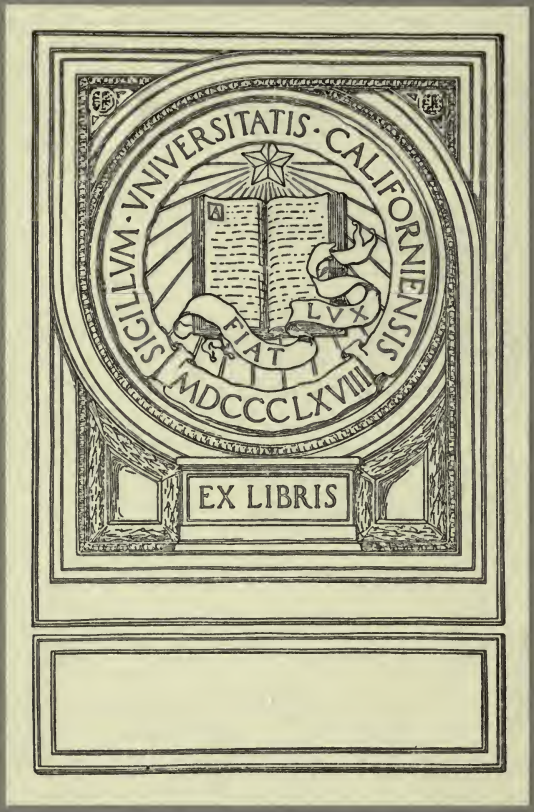
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# MR. WEBSTER'S

## SECOND SPEECH

ON

# THE SUB-TREASURY BILL.

DELIVERED MARCH 12, 1838.

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1838.

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Mr. President:

Having at an early stage of the debate expressed, in a general manner, my opposition to this bill, I must find an apology for again addressing the Senate, in the acknowledged importance of the measure, the novelty of its character, and the division of opinion respecting it which is known to exist in both Houses of Congress.

To be able, in this state of things, to give a preponderance to that side of the question which I embrace, is, perhaps, more than I ought to hope; but I do not feel that I have done all which my duty demands, until I make another effort.

The functions of this Government which, in time of peace, most materially affect the happiness of the people, are those which respect commerce and revenue. The bill before us touches both these great interests. It proposes to act directly on the revenue and expenditure of Government, and it is expected to act, also, indirectly, on commerce and currency; while its friends and supporters altogether abstain from other measures, deemed by a great portion of Congress and of the country, to be indispensably demanded by the present exigency.

We have arrived, Mr. President, towards the close of a half century from the adoption of the constitution. During the progress of these years, our population has increased from three or four millions to thirteen or fourteen millions; our commerce, from little or nothing, to an export of a hundred and ninety millions, and an import of a hundred and twenty-eight and a half millions, in the year 1836. Our mercantile tonnage approaches near to two millions. We have a revenue, and an expenditure, of thirty millions a year. The manufactures of the country have attained very great importance, and, up to the commencement of the derangement of the currency, were in a prosperous and growing state. The produce of the fisheries has become vast; and the general production of the labor and capital of the country is increasing, far beyond all example in other

countries, or other times, and has already reached an amount which, to those who have not investigated the subject, would seem incredible.

The commerce of the United States, sir, is spread over the globe. It pursues its objects in all seas, and finds its way into every port which the laws of trade do not shut against its approach. With all the disadvantages of more costly materials, and of higher wages, and often in despite of unequal and unfavorable commercial regulations of other States, the enterprise, vigor, and economy which distinguish our navigating interest, enable it to show our flag, in competition with the most favored and the most skilful, in the various quarters of the world. In the mean time, internal activity does not lag nor loiter. New and useful modes of intercourse and facilities of transportation are established, or are in progress, everywhere. Public works are projected and pushed forward, in a spirit, which grasps at high and vast objects, with a bold defiance of all expense. The aggregate value of the property of the country is augmented daily. A constant demand for new capital exists, although a debt has already been contracted in Europe, for sums advanced to States, corporations, and individuals, for purposes connected with internal improvement; which debt cannot now be less than a hundred millions of dollars. Spreading over a great extent, embracing different climates, and with vast variety of products, we find an intensely excited spirit of industry and enterprise to pervade the whole country; while its external commerce, as I have already said, sweeps over all seas. We are connected with all commercial countries, and, most of all, with that which has established and sustained the most stupendous system of commerce and manufactures, and which collects and disburses an incredible amount of annual revenue; and which uses, to this end, and as means of currency and circulation, a mixed money of metal and paper.

Such a mixed system, sir, has also prevailed with us, from the beginning. Gold and silver, and convertible bank paper, have always constituted our actual money. The people are used to this system. It has hitherto commanded their confidence, and fulfilled their expectations. We have had, in succession, two national banks; each for a period of twenty years. Local or State banks have, at the same time, been in operation; and no man of intelligence or candor can deny that, during these forty years, and with the operation of a national and these State institutions, the currency of the country, upon the whole, has been safe, cheap, convenient, and satisfactory. When the Government was established, it found convertible bank paper, issued by State banks, already in circulation; and with this circulation it did not interfere. The United States, indeed, had themselves established a bank, under the old Confederation, with authority to issue paper. A system of mixed circulation, therefore, was exactly that system which this constitution, at its adoption, found already in existence. There is not the slightest evidence of any intention, in establishing the constitu-

tion, to overthrow or abolish this system, although it certainly was the object of the constitution to abolish bills of credit, and all paper intended for circulation, issued upon the faith of the States alone. Inasmuch as whatever then existed, of the nature of money or currency, rested on State legislation; and as it was not possible that uniformity, general credit, and general confidence could result from local and separate acts of the States, there is evidence—I think abundant evidence—that it was the intention of the framers of the constitution to give to Congress a controlling power over the whole subject, to the end that there should be, for the whole country, a currency of uniform value. Congress has heretofore exercised this authority, and fulfilled the corresponding duties. It has maintained, for forty years out of forty-nine, a national institution, proceeding from its power, and responsible to the General Government. With intervals of derangement, brought about by war and other occurrences, this whole system, taken altogether, has been greatly successful in its actual operation. We have found occasion to create no difference between Government and people—between money for revenue, and money for the general use of the country. Until the commencement of the last session, Government had manifested no disposition to look out for itself exclusively. What was good enough for the people, was good enough for Government. No condescending and gracious preference had, before that period, ever been tendered to members of Congress, over other persons having claims upon the public funds. Such a singular spectacle had never been exhibited, as an amicable, disinterested, and patriotic understanding, between those who are to vote taxes on the people, for the purpose of replenishing the Treasury, and those who, from the Treasury, dispense the money back again among those who have claims on it. In that respect I think the Secretary stands alone. He is the first, so far as I know, in our long list of able heads of Departments, who has thought it a delicate and skilful touch, in financial administration, to be particularly kind and complaisant to the interest of the law-makers,—those who hold the tax-laying power; the first whose great deference and cordial regard for members of Congress have led him to provide, for them, as the medium of payment and receipt, something more valuable than is provided, at the same time, for the army, the navy, the judges, the revolutionary pensioners, and the various classes of laborers in the pay of Government.

Through our whole history, sir, we have found a convertible paper currency, under proper control, highly useful, by its pliability to circumstances, and by its capacity of enlargement, in a reasonable degree, to meet the demands of a new and enterprising community. As I have already said, sir, we owe a permanent debt of a hundred millions abroad; and in the present abundance of money in England, and the state of demand here, this amount will probably be increased. But it must be evident to every one, that, so long as, by a safe use of paper, we give some reasonable expansion to our own circulation, or at least do not unreasonably contract it, we do, to that extent,

create or maintain an ability for loans among ourselves, and so far diminish the amount of annual interest paid abroad.

But let me now, Mr. President, ask the attention of the Senate to another subject, upon which, indeed, much has already been said: I mean that which is usually called the CREDIT SYSTEM.

Sir, what is that system? Why is *credit* a word of so much solid importance, and of so powerful charm, in the United States? Why is it that a shock has been felt through all classes and all interests, the first moment that this credit has been disturbed? Does its importance belong, equally, to all commercial States? Or are there peculiarities in our condition, our habits, and modes of business, which make credit more indispensable, and mingle it more naturally, more intimately, with the life-blood of our system?

A full and philosophical answer to these inquiries, Mr. President, would demand that I should set forth both the ground-work and the structure of our social system. It would show that the wealth and prosperity of the country have as broad a foundation as its popular constitutions. Undoubtedly there are peculiarities in that system, resulting from the nature of our political institutions, from our elementary laws, and from the general character of the people. These peculiarities most unquestionably give to credit, or to those means and those arrangements, by whatever names we call them, which are calculated to keep the whole, or by far the greater part, of the capital of the country in a state of constant activity, a degree of importance far exceeding what is experienced elsewhere.

In the old countries of Europe there is a clear and well-defined line, between capital and labor: a line which strikes through society with a horizontal sweep, leaving on one side wealth, in masses, holden by few hands, and those having little participation in the laborious pursuits of life; on the other, the thronging multitudes of labor, with here and there, only, an instance of such accumulation of earnings as to deserve the name of capital. This distinction, indeed, is not universal and absolute in any of the commercial States of Europe, and it grows less and less definite as commerce advances; the effect of commerce and manufactures, as all history shows, being, every where, to diffuse wealth, and not to aid its accumulation in few hands. But still the line is greatly more broad, marked, and visible in European nations, than in the United States. In those nations the gains of capital, and wages, or the earnings of labor, are not only distinct in idea, as elements of the science of political economy, but, to a great degree, also, distinct in fact; and their respective claims, and merits, and modes of relative adjustment, become subjects of discussion and of public regulation. Now, sir, every body may see that that is a state of things which does not exist with us. We have no such visible and broad distinction between capital and labor; and much of the general happiness of all classes results from this. With us, labor is every day augmenting its means by its own industry; not in all cases, indeed, but in very many. Its savings of yesterday become its capital, therefore, of to-day. On the other hand, vastly the greater portion of

the property of the country exists in such small quantities that its holders cannot dispense altogether with their own personal industry; or if, in some instances, capital be accumulated till it rises to what may be called affluence, it is usually disintegrated and broken into particles again, in one or two generations. The abolition of the rights of primogeniture; the descent of property of every sort to females as well as males; the cheap and easy means by which property is transferred and conveyed; the high price of labor; the low price of land; the genius of our political institutions; in fine, every thing belonging to us, counteracts large accumulation. This is our actual system. Our politics, our constitutions, our elementary laws, our habits, all centre in this point, or tend to this result. From where I now stand, to the extremity of the northeast, vastly the greatest part of the property of the country is in the hands and ownership of those whose personal industry is employed in some form of productive labor. General competence, general education, enterprise, activity, and industry, such as never before pervaded any society, are the characteristics which distinguish the people who live, and move, and act in this state of things, such as I have described it.

Now, sir, if this view be true, as I think it is, all must perceive that, in the United States, capital cannot say to labor and industry, "Stand ye yonder, while I come up hither;" but labor and industry lay hold on capital, break it into parcels, use it, diffuse it widely, and, instead of leaving it to repose in its own inertness, compel it to act at once as their own stimulus and their own instrument.

But, sir, this is not all. There is another view still more immediately affecting the operation and use of credit. In every wealthy community, however equally property may be divided, there will always be some property-holders who live on its income. If this property be land, they live on rent; if it be money, they live on its interest. The amount of real estate held in this country on lease, is comparatively very small, except in the cities. But there are individuals and families, trustees and guardians, and various literary and charitable institutions, who have occasion to invest funds for the purpose of annual moneyed income. Where do they invest? where can they invest? The answer to these questions shows at once a mighty difference between the state of things here, and that in England. Here, these investments, to produce a moneyed income, are made in banks, insurance companies, canal and railroad corporations, and other similar institutions. Placed thus immediately in active hands, this capital, it is evident, becomes at once the basis of business; it gives occupation, pays labor, excites enterprise, and performs, in short, all the functions of employed money. But, in England, investments for such purposes usually take another direction. There is, in England, a vast amount of public stocks, as eight or nine hundred millions sterling of public debt actually exists, constituting, to the amount of its annual interest, a charge on the active capital and industry of the country. In the hands of individuals, portions of this

debt are capital; that is, they produce income to the proprietors, and income without labor; while in a national point of view, it is mere debt. What was obtained for it, or that on account of which it was contracted, has been spent in the long and arduous wars, which the country has sustained, from the time of King William the Third, to our own days. There are thousands of individuals, therefore, whose fixed income arises, not from the active use of property, either in their own hands, or the hands of others, but from the interest on that part of this national charge to which they are entitled. If, therefore, we use the term *capital* not in the sense of political economy exactly, but as implying whatever returns income to individuals, we find an almost incalculable mass so circumstanced as not to be the basis of active operations.

To illustrate this idea further, sir, let us suppose that, by some occurrence, (such as is certainly never to be expected,) this debt should be paid off; suppose its holders were to receive, to-morrow, their full amounts; what would they do with them? Why, sir, if they were obliged to loan the one-quarter part into the hands of the industrious classes, for the purposes of employment in active business; and if this operation could be accompanied by the same intelligence and industry among the people which prevail with us, the result would do more toward raising the character of the laboring classes, than all reforms in Parliament, and other general political operations. It would be as if this debt had never been contracted; as if the money had never been spent, and now remained part of the active capital of the country, employed in the business of life. But this debt, sir, has created an enormous amount of private property, upon the income of which its owners live, which does not require their own active labor or that of others. We have no such debt; we have no such mode of investment; and this circumstance gives quite a different aspect and a different reality to our condition.

Now, Mr. President, what I understand by the credit system is, that which thus connects labor and capital, by giving to labor the use of capital. In other words, intelligence, good character, and good morals bestow on those who have not capital, a power, a trust, a confidence, which enables them to obtain it, and to employ it usefully for themselves and others. These active men of business build their hopes of success on their attentiveness, their economy, and their integrity. A wider theatre for useful activity is under their feet, and around them, than was ever spread before the eyes of the young and enterprising generations of men, on any other spot enlightened by the sun. Before them is the ocean. Every thing in that direction invites them to efforts of enterprise and industry in the pursuits of commerce and the fisheries. Around them, on all hands, are thriving and prosperous manufactures; an improving agriculture, and the daily presentation of new objects of internal improvement: while behind them is almost half a continent of the richest land, at the cheapest prices, under healthful climates, and washed by the most magnificent rivers that on any part of the globe pay their homage to the sea. In the midst

of all these glowing and glorious prospects, they are neither restrained by ignorance, nor smitten down by the penury of personal circumstances. They are not compelled to contemplate, in hopelessness and despair, all the advantages thus bestowed on their condition by Providence. Capital though they may have little or none, CREDIT supplies its place; not as the refuge of the prodigal and the reckless; not as gratifying present wants with the certainty of future absolute ruin; but as the genius of honorable trust and confidence; as the blessing, voluntarily offered to good character and to good conduct; as the beneficent agent, which assists honesty and enterprise in obtaining comfort and independence.

Mr. President, take away this credit, and what remains? I do not ask what remains to the few, but to the many? Take away this system of credit, and then tell me what is left for labor and industry, but mere manual toil and daily drudgery? If we adopt a system that withdraws capital from active employment, do we not diminish the rates of wages? If we curtail the general business of society, does not every laboring man find his condition grow daily worse? In the politics of the day, sir, we hear much said about divorces; and when we abolish credit, we shall divorce labor from capital; and, depend on it, sir, when we divorce labor from capital, capital is hoarded, and labor starves.

The declaration, so often quoted, that "all who trade on borrowed capital ought to break," is the most aristocratic sentiment ever uttered in this country. It is a sentiment which, if carried out by political arrangement, would condemn the great majority of mankind to the perpetual condition of mere day-laborers. It goes to take away from them all that solace and hope which arises from possessing something which they can call their own. A man loves his own; it is fit and natural that he should do so; and he will love his country and its institutions, if he have some stake in it, although it be but a very small part of the general mass of property. If it be but a cottage, an acre, a garden, its possession raises him, gives him self-respect, and strengthens his attachment to his country. It is our happy condition, by the blessings of Providence, that almost every man of sound health, industrious habits, and good morals, can ordinarily attain, at least, to this degree of comfort and respectability; and it is a result devoutly to be wished, both for its individual and its general consequences.

But even to this degree of acquisition, that credit, of which I have already said so much, (as its general effect is to raise the price of wages, and render industry productive,) is highly important. There is no condition so low, if it be attended with industry and economy, which this credit does not benefit, as any one will find, if he will examine and follow out its operations.

Such, Mr. President, being the credit system in the United States, as I understand it, I now add, that the banks have been the agents and their circulation the instrument, by which the general operations of this credit have been conducted. Much of the capital of the country, placed at interest, is vested in bank stock, and those who borrow, borrow at the banks: and discounts of bills, and anticipation of pay-

ments, in all its forms, the regular and appropriate duty of banks, prevail universally.

In the North, the banks have enabled the manufacturers of all classes to realize the proceeds of their industry at an early moment. The course has been, that the producers of commodities for Southern consumption, having despatched their products, draw their bills. These bills are discounted at the banks, and with the proceeds other raw material is bought, and other labor paid; and thus the general business is continued in progress. All this is well known to those who have had opportunity to be acquainted with such concerns.

But bank credit has not been more necessary to the North than to the South. Indeed, nowhere has interest been higher, or the demand for capital greater, or the full benefit of credit more indispensable, than in the new cotton and sugar-growing States. I ask gentlemen from those States if this be not so? Have not the plantations been bought, and the necessary labor procured, to a great extent, on credit? Has not this credit been obtained at the banks? Even now do they not find credits, or advances on their crops, important in enabling them to get those crops to market? And if there had been no credit—if a hard-money system had prevailed, let me ask them what would have been, at this moment, the condition of things in Alabama, Louisiana, Mississippi, and Arkansas? These States, sir, with Tennessee and the South Atlantic States, constitute the great plantation interest. That there has been a vast demand for capital to be invested in this interest, is sufficiently proved, by the high price paid for the use of money.

In my opinion, sir, credit is as essential to the great export of the South, as to any other interest. The agriculture of the cotton and sugar-producing States partakes, in no inconsiderable degree, of the nature of commerce. The product and sale of one great staple only, is an operation essentially different from ordinary farming pursuits. The exports of the South, indeed, may be considered as the aggregate result of various forms and modes of industry, carried on by various hands, and in various places, rather than as the mere product of the plantation. That product itself is local; but its indispensable aids and means are drawn from every part of the Union. What is it, sir, that enables Southern labor to apply itself so exclusively to the cultivation of these great articles for export? Certainly, it is so applied, because its own necessities for provision and clothing are supplied, meanwhile, from other quarters. The South raises to sell, and not to consume; and with the proceeds of the sales it supplies itself with whatever its own consumption demands. There are exceptions; but this is the general truth. The hat-makers, shoe-makers, furniture-makers, and carriage-makers of the North, the spinners at Lowell, and the weavers at Philadelphia, are all contributors to the general product both of cotton and sugar, for export abroad; as are the live-stock raisers of Kentucky, the grain-growing farmers, and all who produce and vend provisions, in Indiana, Ohio and Illinois. The Northern ship-owner and the mariner, who carry these products to

market, are agents acting to the same end; and so are they too who, little thinking of cotton-fields, or sugar estates, are pursuing their adventurous employment in the whale fisheries, over the whole surface, and among all the islands, of the Pacific and the Indian oceans. If we take the annual cotton crop at sixty millions of dollars, we may, perhaps, find that the amount of forty-five millions is expended, either for interest on capital advanced, or for the expense of clothing and supporting labor, or in the charges which belong to the household, the education of families, and to the domestic expenditure of the proprietor.

Thus, sir, all the laborious classes, are, in truth, cotton-growers and sugar-makers. Each, in its own way, and to the extent of its own productiveness, contributes to swell the magnitude of that enormous export, which was nothing at the commencement of this Government, and which now has run up to so many millions. Through all these operations the stream of credit has constantly flowed, and there is not one of them that will not be checked and interrupted, embarrassed and thwarted, if this stream be now dried up. This connexion of the various interests of the country with one another forms an important and interesting topic. It is one of the natural ties of the Union. The variety of production, and mutual wants mutually supplied, constitute a strong bond between different States; and long may that bond last, growing with their growth, and strengthening with their strength!

But, Mr. President, that portion of our productions which takes the form of export, becomes distinct and visible; it is prominent and striking, and is seen and wondered at, by everybody. The annual returns all show it, and every day's commercial intelligence speaks of it. We gaze at it with admiration, and the world is no less admiring than ourselves.

With other branches of industry the case is quite different. The products of these branches, being put in the train of domestic exchanges, and consumed in the country, do not get into statistical tables, are not collected in masses, and are seldom presented, in the aggregate, to the public view. They are not of the character of a few large and mighty rivers, but of a thousand little streams, meandering through all the fields of business and of life, and refreshing and fertilizing the whole.

Few of us, Mr. President, are aware of what would be the amount of the general production of the country, if it could be accurately ascertained. The Legislature of Massachusetts, under the recommendation of the intelligent Chief Magistrate of that State, has caused to be prepared and published a report on the condition and products of certain branches of its industry, for the year ending in April, 1837. The returns of the authorities of each city and town were made, apparently, with much care; and the whole has been collated by the Secretary of State, and the result distinctly presented in well-arranged statistical tables. From a summary of the statements in these tables, I will take the liberty of selecting a few arti-

cles, and of adverting to them here, as instances, or specimens, of the annual product of labor and industry in that State.

And to begin with a very necessary and important article: I find, that of boots and shoes, the value of the whole amount manufactured within the year exceeds fourteen millions and a half of dollars. If the amount of other articles of the same class, or material, be added, viz: leather, saddles, trunks, harness, &c., the total will be not far from eighteen millions and a half of dollars.

I will read the names of some other articles, and state the amount of annual product belonging to each:

| | |
|---|---|
| Cotton fabrics | $17,409,000 |
| Woollen fabrics | 10,399,000 |
| Fisheries | 7,592,000 |
| Books and stationary, and paper | 2,592,000 |
| Soap and candles | 1,620,000 |
| Nails, brads, and tacks | 2,500,000 |
| Machinery of various kinds | 1,235,000 |
| Agricultural implements | 645,000 |
| Glass | 831,000 |
| Hats | 700,000 |
| Clothing, neckcloths, &c. | 2,013,000 |
| Wool | 539,000 |

These, sir, are samples. The grand total is ninety-one million seven hundred thousand dollars. From this, however, deductions are to be made for the cost of the raw material when imported, and for certain articles enumerated under different heads. But, then, the whole statement is confined to some branches of industry only; and to present an entire and comprehensive view, there should be added the gains of commerce within the year, the earnings of navigation, and almost the whole agricultural product of the State.

The result of all, if it could be collated and exhibited together, would show that the annual product of Massachusetts capital and Massachusetts industry exceeds one hundred millions of dollars. Now, sir, Massachusetts is a small State, in extent of territory. You may mark out her dimensions seven or eight times on the map of Virginia. Yet her population is seven hundred thousand souls; and the annual result of their laborious industry, economy, and labor, is as I have stated.

Mr. President, in looking over this result, it is most gratifying to find, that its great mass consists in articles equally essential and useful to all classes. They are not luxuries, but necessaries and comforts. They belong to food and clothing, to household conveniences, and education. As they are more and more multiplied, the great majority of society becomes more elevated, better instructed, and happier in all respects. I have looked through this whole list, sir, to find what there is in it that might be fairly classed among the higher luxuries of life; and what do I find? In the whole hundred millions, I find but one such item; and that is an item of two or three hundred thousand

dollars for "jewelry, silver, and silver-plate." This is all that belongs to luxury, in her annual product, of a hundred millions; and of this, no doubt, the far greater portion was sent abroad. And yet we hear daily, sir, of the amassing of aristocratic wealth, by the progress of manufactures, and the operations of the credit system! Aristocracy, it is said, is stealing upon us, and, in the form of aggregate wealth, is watching to seize political power from the hands of the people! We have been more than once gravely admonished that, in order to improve the times, and restore a metallic currency for the benefit of the poor, the rich ought to melt down their plate! Whatever such a melting process might find to act upon elsewhere, Mr. President, I assure you that in Massachusetts it would discover little. A few spoons, candlesticks, and other similar articles, some old family pitchers and tankards, and the silver porringers of our nurseries, would be about the whole.

Sir, if there be any aristocrats in Massachusetts, the people are all aristocrats; because I do not believe there is on earth, in a highly civilized society, a greater equality in the condition of men, than exists there. If there be a man in the State who maintains what is called an equipage, or drives four horses in his coach, I am not acquainted with him. On the other hand, there are few who are not able to carry their wives and daughters to church in some decent conveyance. It is no matter of regret or sorrow to us that few are very rich; but it is our pride and glory that few are very poor. It is our still higher pride, and our just boast, as I think, that all her citizens possess means of intelligence and education; and that, of all her productions, she reckons, among the very chiefest, those which spring from the culture of the mind and the heart.

Mr. President, one of the most striking characteristics of this age, is the extraordinary progress which it has witnessed in popular knowledge. A new and powerful impulse has been acting in the social system of late, producing this effect in a striking degree.

In morals, in politics, in art, in literature, there is a vast accession to the number of readers, and to the number of proficients. The present state of popular knowledge is not the result of a slow and uniform progress, proceeding through a lapse of years, with the same regular degree of motion. It is evidently the result of some new causes, brought into powerful action, and producing their consequences rapidly and strikingly. What, sir, are these causes?

This is not an occasion, sir, for discussing such a question at length: allow me to say, however, that the improved state of popular knowledge is but the necessary result of the improved condition of the great mass of the people. Knowledge is not one of our merely physical wants. Life may be sustained without it. But, in order to live, men must be fed, and clothed, and sheltered; and in a state of things in which one's whole labor can do no more than procure clothes, food, and shelter, he can have no time nor means for mental improvement. Knowledge, therefore, is not attained, and cannot be attained, till there is some degree of respite from daily manual toil, and never-

ending drudgery. But whenever a less degree of labor will produce the absolute necessaries of life, then there come leisure and means, both to teach and to learn.

But if this great and wonderful extension of popular knowledge be the result of an improved condition, it may, in the next place, well be asked, what are the causes which have thus suddenly produced that great improvement? How is it that the means of food, clothing, and shelter, are now so much more cheaply and abundantly procured than formerly? Sir, the main cause I take to be the progress of scientific art, or a new extent of the application of science to art. This it is, which has so much distinguished the last half century in Europe and in America; and its effects are everywhere visible, and especially among us. Man has found new allies and auxiliaries, in the powers of nature, and in the inventions of mechanism.

The general doctrine of political economy is, that wealth consists in whatever is useful or convenient to man, and that labor is the producing cause of all this wealth. This is very true. But, then, what is labor? In the sense of political writers, and in common language, it means human industry; but, in a philosophical view, it may receive a much more comprehensive meaning. It is not, in that view, human toil only—the mere action of thews and muscles; but it is any active agency which, working upon the materials with which the world is supplied, brings forth products useful or convenient to man. The materials of wealth are in the earth, in the seas, and in their natural and unaided productions. Labor obtains them, works upon them, and fashions them to human use. Now, it has been the object of scientific art, or of the application of science to art, to increase this active agency, to augment its power, by creating millions of laborers in the form of automatic machines, all to be diligently employed, and kept at work by the force of natural powers. To this end these natural powers, principally those of steam and falling water, are subsidized and taken into human employment. Spinning machines, power-looms, and all the mechanical devices, acting, among other operatives, in the factories and work-shops, are but so many laborers. They are usually denominated labor-*saving* machines, but it would be more just to call them labor-*doing* machines. They are made to be active agents; to have motion, and to produce effect; and though without intelligence, they are guided by those laws of science, which are exact and perfect, and they produce results, therefore, in general, more accurate than the human hand is capable of producing. When we look upon one of these, we behold a mute fellow-laborer, of immense power, of mathematical exactness, and of ever-during and unwearied effort. And while he is thus a most skilful and productive laborer, he is a non-consumer—at least, beyond the wants of his mechanical being. He is not clamorous for food, raiment, or shelter, and makes no demands for the expenses of education. The eating and drinking, the reading and writing and clothes-wearing world, are benefited by the labors of these co-operatives, in the same way as if Providence had provided for their service millions of beings, like

ourselves in external appearance, able to labor and to toil, and yet requiring little or nothing for their own consumption or subsistence; or rather, as if Providence had created a race of giants, each of whom, demanding no more for his support and consumption than a common laborer, should yet be able to perform the work of a hundred.

Now, sir, turn back to the Massachusetts tables of production, and you will see that it is these automatic allies and co-operators, and these powers of nature, thus employed and placed under human direction, which have come, with such prodigious effect, to man's aid, in the great business of procuring the means of living, of comfort, and of wealth, and which have so swollen the products of her skilful industry. Look at these tables once more, sir, and you will see the effects of labor, united with and acting upon capital. Look yet again, and you will see that credit, mutual trust, prompt and punctual dealings, and commercial confidence, are all mixed up as indispensable elements in the general system.

I will ask you to look yet once more, sir, and you will perceive that general competence, great equality in human condition, a degree of popular knowledge and intelligence, nowhere surpassed, if anywhere equalled, and the prevalence of good moral sentiment, and extraordinary general prosperity, is the result of the whole. Sir, I have done with Massachusetts. I do not praise the old "Bay State" of the Revolution; I only present her as she is.

Mr. President, such is the state of things actually existing in the country, and of which I have now given you a sample. And yet there are persons who constantly clamor against this state of things. They call it aristocracy. They beseech the poor to make war upon the rich, while, in truth, they know not who are either rich or poor. They complain of oppression, speculation, and the pernicious influence of accumulated wealth. They cry out loudly against all banks and corporations, and all the means by which small capitals become united, in order to produce important and beneficial results. They carry on a mad hostility against all established institutions. They would choke up the fountains of industry, and dry all its streams.

In a country of unbounded liberty, they clamor against oppression. In a country of perfect equality, they would move heaven and earth against privilege and monopoly. In a country where property is more equally divided than anywhere else, they rend the air with the shouting of agrarian doctrines. In a country where the wages of labor are high beyond all parallel, and where lands are cheap, and the means of living low, they would teach the laborer that he is but an oppressed slave. Sir, what can such men want? What do they mean? They can want nothing, sir, but to enjoy the fruits of other men's labor. They can mean nothing, but disturbance and disorder: the diffusion of corrupt principles, and the destruction of the moral sentiments and moral habits of society. A licentiousness of feeling and of action is sometimes produced by prosperity itself. Men cannot always resist the temptation to which they are exposed by the very abundance of the bounties of Providence and the very happiness of

their own condition ; as the steed, full of the pasture, will, sometimes, throw himself against its enclosures, break away from its confinement, and, feeling now free from needless restraint, betake himself to the moors and barrens, where want, ere long, brings him to his senses, and starvation and death close his career.

Having said so much, sir, on the general condition of the country, and explained what I understand by credit, I proceed to consider the present actual state of the currency.

The most recent Treasury estimate, which I have seen, supposes that there are eighty millions of metallic money now in the country. This I believe, however, to be a good deal too high; I cannot believe it exceeds sixty, at most; and supposing one-half this sum to be in the banks, thirty millions are in circulation, or in private hands. We have seven hundred banks and branches, with capitals assigned for the security of their notes and bills, amounting to two hundred and eighty millions. The amount of bank notes in actual circulation is supposed to be one hundred millions; so that our whole circulation is about one hundred and thirty millions. The amount of debts due to the banks, or the amount of their loans and discounts, may be taken at four hundred and fifty millions.

Now, sir, this very short statement exhibits at once a general outline of our existing system of currency and credit. We see a great amount of money or property in banks, as their assigned and appropriate capital, and we see a great amount due to these banks. These bank debtors generally belong to the classes of active business, or are such as have taken up credits for purposes of investment in lands or merchandise, looking to future proceeds as the means of repayment. If we compare this state of circulation, of bank capital and bank debt, with the same things in England, important differences will not fail to strike us.

The whole paper circulation of England, by the latest accounts, is twenty-eight millions sterling—made up of eighteen millions of Bank of England notes, and ten millions of the notes of private bankers and joint-stock companies; bullion in the bank, nine and a half millions; debts due the Bank of England, twenty-two and a half millions. The amount of loans and discounts by private bankers and joint-stock companies is not usually stated, I believe, in the public accounts. If it bear the same proportion to their notes in circulation, as in the case of the Bank of England, it would exceed twelve millions. We may, therefore, take the amount of bank debts in England to be thirty-five millions. But I suppose that, of the securities held by the Bank of England, exchequer notes constitute a large part; in other words, that a large part of the bank debt is due by Government. The amount of coin in actual circulation is estimated to be thirty and a half millions. The whole amount of circulation in England, metallic and paper, is usually stated, in round numbers, at sixty millions; which, rating the pound sterling at $4 80, is equal to two hundred and eighty-eight millions of dollars.

It will be seen, sir, that our paper circulation is one-half less than that

of England, but our bank debt is, nevertheless, much greater; since thirty-five millions sterling amount to only one hundred and sixty-eight millions of dollars; and this sum, too, includes the amount of exchequer bills, or Government debt in the form of such bills, which the bank holds. These facts are very material to any just comparison of the state of things in the two countries. The whole, or nearly the whole capital of the Bank of England, is lent to Government, not by means of exchequer notes, but on a permanent loan. And as to the private banks and joint-stock companies, though they issue bills for circulation, they have no assigned or appropriated capital whatever. The bills circulate on the private credit of the individual banker, or of those who compose the joint-stock companies. In the United States, an amount of capital, supposed to be sufficient to sustain the credit of the paper and secure the public against loss, is provided by law, in the act of incorporation for each bank, and is assigned as a trust-fund for the payment of the liabilities of the bank. And if this capital be fairly and substantially advanced, it is a proper security; and, in most cases, no doubt it is substantially advanced. The directors are trustees of this fund, and they are liable, both civilly and criminally, for mismanagement, embezzlement, or breach of trust.

This amount of capital, thus secured, is the basis of loans and discounts; and this is the reason why permanent, or at least long loans are not considered so inappropriate to banking operations, with us, as they are in England. With us, it is evident that the directors are agents, holding a fund intended to be loaned, and acting between lender and borrower; and this form of loan has been found exceedingly convenient and useful in the country.

In some States, it is greatly preferred to mortgages, though there are others in which mortgages are usual. Whether exactly conformable to the true notion of banking, or not, the truth is, that the object and operation of our banks is to loan money; and this is mostly on personal security. The system, no doubt, is liable to abuse, in particular instances. There may be directors who will loan too freely to themselves and their friends. Gross cases of this kind have recently been detected and exposed, and, I hope, will be suitably treated; but, considering the great number of banks, these instances, I think, are remarkably few. In general, the banks have been well conducted, and are believed to be solvent and safe.

We have heard much, sir, in the course of this debate, of excess in the issue of bank notes for circulation. I have no doubt, sir, that there was a very improper expansion some years ago. When President Jackson, in 1832, had negatived the bill for continuing the Bank of the United States, (which act I esteem as the true original source of all the disorders of the currency,) a vast addition was immediately made to the number of State banks. In 1833, the public deposites were actually removed from the Bank of the United States, and placed in selected State banks. And, for the purpose of showing how much better the public would be accommodated without, than with, a Bank of the United States, these banks were not only encouraged, but

admonished, to be free and liberal in loans and discounts, made on the strength of the public moneys, to merchants and other individuals. The circular letter from the Treasury Department, addressed to the new deposite banks, under date of 26th September, 1833, has this significant clause, which could not have been misunderstood:

"The deposites of public money will enable you to afford increased facilities to commerce, and to extend your accommodation to individuals; and as the duties which are payable to the Government arise from the business and enterprise of the merchants engaged in foreign trade, it is but reasonable that they should be preferred in the additional accommodation which the public deposites will enable your institution to give, whenever it can be done without injustice to the claims of other classes of the community."

Having read this letter, sir, I ask leave to refer the Senate to the 20th section of the bill now before us. There we find that, "if any officer, charged with the safe-keeping of the public money, shall loan the same, or any portion thereof, with or without interest, such act shall be deemed an embezzlement and a high misdemeanor, and the party convicted thereof shall be sentenced to imprisonment." Sir, what a pretty piece of consistency is here! In 1833 the depositories of the public money were not even left to their own desire for gain, or their wishes to accommodate others, as being sufficient incentives to lend it out: they were admonished and directed to afford increased facilities to commerce, and to extend their accommodation to individuals, since the public moneys in their vaults would enable them to give such additional accommodation! Now, sir, under this bill, any officer who shall do any one of the same things, instead of being praised, is to be punished: he is to be adjudged guilty of embezzlement and of a high misdemeanor, and is to be confined, for aught I know, in cells as dark and dismal as the vaults and safes which are to contain our metallic currency. But although I think, sir, that the acts of Government created this expansion, yet I am certainly of opinion that there was a very undue expansion created. A contraction, however, had begun; and I am of opinion, that had it not been for the specie order of July, 1836, and for the manner in which the deposite law was executed, the banks would have gone through the crisis without suspension. This is my full and firm belief. I cannot, however, discuss these points here. They were treated with very great ability, last year, by a gentleman who then occupied one of the seats of Georgia on this floor. Whomsoever he did not satisfy, I cannot convince. Still, sir, the question is, whether there was an excess in the general amount of our circulation, in May last, or whether there be now such excess.

By what standard is this to be judged? If the question be, whether there be too much paper in circulation, it may be answered, by reference to the amount of coin in the banks from which the paper issues; because I am unquestionably of opinion—an opinion which I believe nothing can ever shake—that the true criterion by which to decide the question of excess, in a convertible

paper currency, is the amount of that paper, compared with the gold and silver in the banks. Such excess would not be proved, absolutely and certainly, in every case, by the mere fact of the suspension of specie payments; because such an event might be produced by panic, or other sudden cause, having power to disturb the best regulated system of paper circulation. But the immediate question now is, whether, taking the whole circulation together, both metallic and paper, there was an excess existing in May, or is an excess now existing? Is one hundred and thirty millions an excessive or undue amount of circulation for the United States? Seeing that one part of this circulation is coin, and the other part paper, resting upon coin, and intended to be convertible, is the whole mass more than may be fairly judged necessary to represent the property, the transactions, and the business of the country? Or, in order to sustain such an amount of circulalation, and to keep that part of it which is composed of paper in a safe state, should we be obliged to attempt to draw to ourselves more than our just proportion of that metallic money, which is in the use of all the commercial nations? These questions appear to me to be but different modes of stating the same inquiry.

Upon this subject we may, perhaps, form some general idea, by comparing ourselves with others. Various things, no doubt, exist, in different places and countries, to modify, either by enlarging or diminishing, the demand for money or currency in the transactions of business; still the amount of trade and commerce may furnish a general element of comparison between different states or nations. The aggregate of American imports and exports in 1836 was three hundred and eighteen millions; that of England, reckoning the pound sterling at $4 80, again, was four hundred and eighty millions, as near as I can ascertain; the currency of England being, as already stated, sixty millions sterling, or two hundred and eighty-eight millions of dollars. If we work out a result from these proportions, the currency of the United States, it will be found, should be one hundred and ninety millions, in order to be equal to that of England; but, according to the estimates of the Treasury, it did not, even in that year, exceed one hundred and eighty millions.

Our population is about equal to that of England and Wales. The amount of our mercantile tonnage, perhaps, one-fifth less. But then we are to consider that our country is vastly wider; and our facilities of internal exchange, by means of bills of exchange, greatly less. Indeed, there are branches of our intercourse, in which remittances cannot be well made, except in currency. Take one example: The agricultural products of Kentucky are sold to the South; her purchases of commodities made at the North. There can be, therefore, very little of direct exchange between her and the places of purchase and sale. The trade goes round in a circle. Therefore, while the Bank of the United States existed, payments were made to a vast amount in the North and East by citizens of Kentucky, and of the States similarly situated, not in bills of exchange, but in the notes of the Bank.

These considerations augment the demand for currency. More than all, the country is new, sir; almost the entire amount of our capital active; and the whole amount of property, in the aggregate, rapidly increasing. In the last three years thirty-seven millions of acres of land have been separated from the wilderness, purchased, paid for, and become subject to private individual ownership, to transfer and sale, and all other dispositions to which other real estate is subject. It has thus become property, to be bought and sold for money; whereas, while in the hands of Government, it called for no expenditure, formed the basis of no transactions, and created no demand for currency. Within that short period our people have bought from Government a territory as large as the whole of England and Wales, and, taken together, far more fertile by nature. This seems incredible, yet the returns show it. Suppose all this to have been bought at the minimum price of a dollar and a quarter per acre; and suppose the value to be increased in the common ratio in which we know the value of land is increased, by such purchase, and by the preliminary steps and beginnings of cultivation; an immense augmentation, it will readily be perceived, is made, even in so short a time, of the aggregate of property, in nominal price, and, to a great extent, in real value also.

On the whole, sir, I confess I know no standard by which I can decide that our circulation is at present in excess. I do not believe it is so. Nor was there, as I think, any depreciation in the value of money, up to the moment of the suspension of specie payments by the banks, comparing our currency with the currency of other nations. An American paper dollar would buy a silver dollar in England, deducting only the charge of transporting a dollar across the ocean, because it commanded a silver dollar here. There may be excess, however, I admit, where there is no present depreciation, in the sense in which I now use the term.

It is hardly necessary to dwell, Mr. President, on the evils of a suddenly depreciated circulation. It arrests business, puts an end to it, and overwhelms all debtors, by depression and downfall of prices. And even if we reduce circulation—not suddenly, but still reduce it farther than is necessary to keep it within just and reasonable limits—we produce many mischiefs; we augment the necessity of foreign loans; we contract business, discourage enterprise, slacken the activity of capital, and restrain the commercial spirit of the country. It is very important to be remembered, sir, that, in our intercourse with other nations, we are acting on a principle of equality; that is to say, we do not protect our own shipping interest by peculiar privileges; we ask a clear field, and seek no favor. Yet, the materials for ship-building are high with us, and the wages of ship-builders and seamen are high also. We have to contend against these unfavorable circumstances; and if, in addition to these, we are to suffer further by unnecessary restraints on currency, and by a cramped credit, who can tell what may be the effect? Money is abundant in England, very abundant; the

rate of interest, therefore, is low, and capital will be seeking its investment wherever it can hope to find it. If we derange our own currency, compulsively curtail circulation, and break up credit, how are the commerce and navigation of the United States to maintain themselves against foreign competition?

Before leaving, altogether, this subject of an excessive circulation, Mr. President, I will say a few words upon a topic which, if time would permit, I should be glad to consider at more length; I mean, sir, the proper guards and securities for a paper circulation. I have occasionally addressed the Senate on this subject before, especially in the debate on the specie circular, in December, 1836; but I wish to recur to it again, because I hold it to be of the utmost importance to prove, if it can be proved, to the satisfaction of the country, that a convertible paper currency may be so guarded as to be secure against probable dangers. I say, sir, a convertible paper currency: for I lay it down as an unquestionable truth, that no paper can be made equal, and kept equal to gold and silver, but such as is convertible into gold and silver, on demand. But, I have gone farther, and still go farther than this; and I contend that even convertibility, though itself indispensable, is not a certain and unfailing ground of reliance. There is a liability to excessive issues of paper, even while paper is convertible at will. Of this, there can be no doubt. Where, then, shall a regulator be found? What principle of prevention may we rely on?

Now I think, sir, it is too common with banks, in judging of their condition, to set off all their liabilities against all their resources. They look to the quantity of specie in their vaults, and to the notes and bills becoming payable, as means or assets; and, with these, they expect to be able to meet their returning notes, and to answer the claims of depositors. So far as the bank is to be regarded as a mere bank of discount, all this is very well. But banks of circulation exercise another function. By the very act of issuing their own paper, they affect the amount of currency. In England, the Bank of England, and in the United States, all the banks, expand or contract the amount of circulation, of course, as they increase or curtail the general amount of their own paper. And this renders it necessary that they should be regulated and controlled. The question is, by what rule? To this I answer, by subjecting all banks to the rule which the most discreet of them always follow—by compelling them to maintain a certain fixed proportion between specie and circulation; without regarding deposites on one hand, or notes payable on the other.

There will always occur occasional fluctuations in trade, and a demand for specie, by one country on another, will arise. It is too much the practice, when such occurrences take place, and specie is leaving the country, for banks to issue more paper, in order to prevent a scarcity of money. But exactly the opposite course should be adopted. A demand for specie to go abroad should be regarded as conclusive evidence of the necessity of contracting circulation. If, indeed,

in such cases, it could be certainly known that the demand would be of short duration, the temporary pressure might be relieved by an issue of paper to fill the place of departing specie. But this never can be known. There is no safety, therefore, but in meeting the case at the moment, and in conforming to the infallible index of the exchanges. Circulating paper is thus kept always nearer to the character, and to the circumstances of that, of which it is designed to be the representative—the metallic money. This subject might be pursued, I think, and clearly illustrated; but, for the present, I only express my belief that, with experience before us, and with the lights which recent discussions, both in Europe and America, hold out, a national bank might be established, with more regard to its function of regulating currency, than to its function of discount, on principles, and subject to regulations, such as should render its operations extremely useful; and I should hope that, with an example before them of plain and eminent advantage, State institutions would conform to the same rules and principles; and that, in this way, all the advantages of convertible paper might be enjoyed, with just security against its dangers.

I have detained the Senate too long, sir, with these observations upon the state of the country, and its pecuniary system and condition.

And now, when the banks have suspended payments, universally; when the internal exchanges are all deranged, and the business of the country most seriously interrupted, the questions are—

Whether the measure before us is suitable to our condition? and

Whether it is a just and proper exercise and fulfilment of the powers and duties of Congress?

What, then, sir, will be the practical operation and effect of this measure, if it should become a law?

Like its predecessor of the last session, the bill proposes nothing for the general currency of the country; nothing to restore exchanges; nothing to bring about a speedy resumption of specie payments by the banks. Its whole professed object is the collection and disbursement of the public revenue. Some of its friends, indeed, say, that when it shall go into operation, it will, *incidentally*, produce a favorable effect on the currency, by restraining the issue of bank paper. But others press it as if its effect was to be the final overthrow of all banks, and the introduction of an exclusive metallic currency for all the uses of the country.

Are we to understand, then, that it is intended, by means, of which this is the first, to rid the country of all banks, as being but so many nuisances, and to abolish all paper currency whatever?

Or is it expected, on the contrary, that after this system shall be adopted for the use of Government, there will still be a paper currency in the country for the use of the people?

And if there shall still be a paper currency, will that currency consist of irredeemable Government paper, or of convertible bank notes, such as have circulated heretofore? These questions must

be answered, before we can judge accurately of the operation of this bill.

As to an exclusive metallic currency, sir, the Administration on this point is regularly Janus-faced. Out doors, and among the people, it shows itself "all *clinquant*, all in gold." There, every thing is to be hard money—no paper rags—no delusive credits—no bank monopolies—no trust in paper of any kind. But in the Treasury Department, and in the Houses of Congress, we see another aspect—a mixed appearance, partly gold and partly paper; gold for Government, and paper for the people. The small voice which is heard here, allows the absolute necessity of paper of some sort, and to some extent. But the shouts in the community demand the destruction of all banks, and the final extermination of all paper circulation.

To the people, the lion roars against paper money in all the loudness and terror of his natural voice; but to members of Congress, he is more discreet; lest he should frighten them out of their wits, he here restrains and modulates, and roars "as gently as any sucking dove, or, as it were, any nightingale." The impracticability of an exclusive metallic currency, the absurdity of attempting any such thing in a country like this, are so manifest, that nobody here undertakes to support it by any reasoning or argument. All that is said in its favor, is general denunciation of paper, general outcry against the banks, and declamation against existing institutions, full of sound and fury, signifying nothing.

The moment any one considers it, he sees how ridiculous any such attempt would be. An exclusive metallic circulation for the second commercial country on earth, in the nineteenth century! Sir, you might as well propose to abolish commerce altogether.

The currency of England is estimated at sixty millions sterling: and it is Mr. McCulloch's calculation, that if this currency were all gold, allowing only one quarter of one per cent. for wear of metals, the annual expense, attending such a currency, would be three millions and a quarter a year, or nearly five per cent. upon the whole. With us, this charge would be much greater. The loss of capital would be more, owing to the higher rates of interest; and besides all this, is the cost of transportation, which, in a country so extensive as ours, would be vast, and not easily calculated. We should also require, proportionally, more specie than is requisite in England, because our system of exchange, by means of bills of exchange, is, at present, and would be, under such a system as is proposed, much less perfect and convenient than that of England. Besides, the English metallic circulation is mostly gold, gold being in England the standard metal. With us, silver and gold both are made standards, at a fixed relation; and if we should succeed to keep this relation so true as to preserve both of the precious metals among us, (which, indeed, is not very probable,) our circulation would be still more expensive and cumbrous, from the quantity of silver which it would contain. The silver in the world is estimated to be fifty times that of gold in amount, and consequently something more than three times in value. If both

should circulate, therefore, equally, in proportion to value, the currency would be three parts silver, and one gold.

Now, sir, the annual expense of such a circulation, upon the basis of Mr. McCulloch's estimate, would exceed the whole annual expenditure made for our army and our navy. Consider, sir, the amount of actual daily payments made in the country. It is difficult to estimate it, and quite impossible to ascertain it, with any accuracy. But we can form some notion of it, by the daily amount of payments in the banks in some of the cities. In times of prosperous business and commerce, the daily amount of payments in the banks of New York alone has been equal to eight millions. Whether we call this a tenth, a twentieth, or a fiftieth part of all payments and receipts made daily in the country, we see to what an aggregate result the whole would rise. And how is it possible that such amount of receipt and payment could be performed by an actual passing of gold and silver from hand to hand?

Such notions, sir, hardly require serious refutation.

Mr. President, an entire metallic currency would necessarily create banks immediately. Where would the money be kept, or how could it be remitted? Banks of deposite must and would be instantly provided for it. Would the merchants of the cities be seen, in their daily walks of business, with servants behind them, with bags of gold and kegs of silver on their wheel-barrows? What folly is great enough to imagine this? If there were not now a bank-note, nor a bank in the country, and if there should be an exclusive specie currency to-morrow morning at nine o'clock, there would be fifty banks before sunset. From necessity, there would be created at once places of deposite; and persons having money in such depositories would draw checks for it, and pass these checks as money, and from one hand they would pass to another; or the depositary himself would issue certificates of deposite, and these would pass as currency. And all this would do no more than just to carry us back two or three hundred years, to the infancy of banks. We should then have done nothing but reject the experience of the most civilized nations, for some centuries, as well as all our own experience, and have returned to the rude conceptions of former times. These certificates of deposite would soon be found to be often issued without any solid capital, or actual deposite. Abuses arising from this source would call for legislative interference, and the Legislature would find it necessary to restrain the issue of paper intended for circulation, by enacting that such issues should only be made on the strength of competent capital, actually provided and assigned, placed under proper regulation, and managed by persons responsible to the laws. And this would bring us again exactly to the state of things in which we now are; that is to say, to the use of the paper of banks, established, regulated, and controlled by law. In the mean time, before this process could be carried through, half the community would be made bankrupt by the ruin of their business, and by the violent and revolutionary changes of property

which the process would create. The whole class of debtors, all that live more by industry than on capital, would be overwhelmed with undistinguishing destruction.

There will then, sir, be no such thing as an exclusive paper currency. The country will not be guilty of the folly of attempting it.

I should have felt that I had occupied too much time with such a senseless and preposterous suggestion, were it not the manifest object of partisans to press such notions upon the attention of the people, in aid of the war against the banks.

We shall then, sir, have paper of some sort, forming a part of our currency. What will that paper be? The honorable gentleman from South Carolina, admitting that paper is necessary as a part of the currency, or circulation, has contended that that paper ought to be Government paper—Government paper, not convertible nor redeemable, only so far as by being receivable for debts and dues to Government. My colleague has endeavored to satisfy the Senate, that the aim of the whole system, of which he regards this bill as but part, is to establish a circulation of Government paper and a Government bank. Other gentlemen have taken the same view of it. But, as the bill itself does not profess any such purpose, I am willing to discuss it in the character in which it presents itself. I take it for what its friends say it is—a bill making further provision for collecting the revenues.

We are, then, sir, still to have paper as a general medium of circulation; that paper is to be the paper of banks; but Government is to be divorced from these banks, altogether. It is not to keep its funds in them, as heretofore. It is to have nothing to do with them, but is to collect and disburse its revenues by its own means, and its own officers.

The receipt of the notes of specie-paying banks is to be partially allowed for some time, but it is to be gradually discontinued; and six years hence, we are to arrive at the maturity and the perfection of the system. When that auspicious day comes, Government is to receive and to pay out gold and silver, and nothing but gold and silver.

Now, Mr. President, let us anticipate this joyous epoch; let us suppose the six years to have expired; and let us imagine this bill, with its specie payments and all, to be in full operation at the present hour. What will that operation be? In the first place, disregarding all question of public convenience, or the general interests of the people, how will this system work as a mere mode of collecting and paying out revenue? Let us see.

Our receipts and expenditures may be estimated, each, at thirty millions a year. Those who think this estimate either too high or too low, may make the necessary allowance. Here, then, is the sum of thirty millions, to be collected and paid out every year; and it is all to be counted, actually told over, dollar after dollar, and gold piece after gold piece; and how many times counted? Let us inquire into that. The importing merchant, whose ship has arrived, and

who has cash duties to pay, goes to the bank for his money, and the tellers count it out: that is once. He carries it to the custom-house, pays it, and the clerks count it over: that is twice. Some days afterwards, the collector takes it out of his bags and chests, carries it to the receiver general's office, and there it is counted again, and poured into the bags and chests of that office: that is the third time. Presently a warrant comes from the Treasury, in favor of some disbursing officer, and the boxes are opened, and the necessary sums counted out: this is the fourth counting. And, fifthly and lastly, the disbursing officer pays it to the persons entitled to receive it, on contracts, or for pensions, salaries, or other claims. Thirty millions of hard money are thus to be handled and told over five times in the course of the year; and if there be transfers from place to place, then, of course, it is to be counted so much oftener. Government officers, therefore, are to count over one hundred and fifty millions of dollars a year; which, allowing three hundred working days in the year, gives five hundred thousand dollars a day. But this is not all. Once a quarter, the naval officer is to count the collector's money, and the register in the land office is to count the receiver's money. And moreover, sir, every now and then the Secretary of the Treasury is to authorize unexpected and *impromptu* countings, in his discretion, and just to satisfy his own mind!

Sir, what a money-counting, tinkling, jingling generation we shall be! All the money-changers in Solomon's temple will be as nothing to us. Our sound will go forth unto all lands. We shall all be like the king in the ditty of the nursery:

"There sat the king, a counting of his money."

You will observe, sir, that these receipts and payments cannot be made in parcels, without the actual handling of each piece of coin. The marks on kegs of dollars, and the labels on bags of gold, are not to be trusted. They are a part of *credit*—and all credit, all trust, all confidence, is to be done away with. When the surveyor, for instance, at the custom-house, is to *examine the money on hand*, in possession of the collector, or receiver general, he is, of course, to count the money. No other examination can come to any thing. He cannot tell, from external appearance, nor from the weight, whether the collector has loaned out the money, and filled the bags and boxes up with sand and lead, or not. Nor can counterfeit pieces be otherwise detected than by actual handling. He must open, he must examine, he must count. And so at the land offices, the mints, and elsewhere. If these officers shall have a taste for silver sounds, they are all likely to be gratified.

Mr. President, in all soberness, is not this whole operation preposterous?

It begins by proposing to *keep* the public moneys. This, itself, in the sense the word is here used, is a perfect novelty, especially in the United States. Why *keep* the public moneys; that is to say, why hoard them, why *keep* them out of use? The use of money is in the exchange. It is designed to circulate, not to be hoarded. All

that Government should have to do with it, is to receive it to-day, that it may pay it away to-morrow. It should not receive it, before it needs it; and it should part with it as soon as it owes it. To *keep* it—that is, to detain it, to hold it back from general use, to hoard it, is a conception belonging to barbarous times and barbarous Governments. How would it strike us, if we should see other great commercial nations acting upon such a system? If England, with a revenue of fifty millions sterling a year, were found to be collecting and disbursing every shilling of it in hard money, through all the ramifications of her vast expenditure, should we not think her mad? But the system is worse here, because it withdraws just so much active capital from the uses of a country that requires capital, and is paying interest for capital wherever it can obtain it.

But now, sir, allow me to examine the operation of this measure upon the general interest of commerce, and upon the general currency of the country. And in this point of view, the first great question is, *What amount of gold and silver will this operation subtract from the circulation of the country, and from the use of the banks?*

In regard to this important inquiry, we are not without the means of forming some judgment. An official report from the Treasury, made to the other House, shows that, for the last ten years, there has been, at the end of each year, on an average, fifteen millions and four hundred thousand dollars in the Treasury. And this sum is exclusive of all that had been collected of the people, but had not yet reached the Treasury; and also of all that had been drawn from the Treasury by disbursing officers, but which had not yet been by them paid to individuals. Adding these sums together, sir, and the result is, that on an average for the last ten years, there have been at least twenty millions of dollars in the Treasury. I do not mean, of course, that this sum is, the whole of it, unappropriated. I mean that this amount has in fact been in the Treasury, either not appropriated, or not called for under appropriations; so that if this sub-treasury scheme had been in operation, in times past, of the specie in the currency, twenty millions would have been constantly locked up in the safes and vaults. Now, sir, I do not believe that, for these ten years, the whole amount of silver and gold in the country has exceeded, on the average, fifty or sixty millions. I do not believe it exceeds sixty millions at the present moment; and if we had now the whole system in complete operation, it would lock up, and keep locked up, one full third of all the specie in the country. Locked up I say—hoarded—rendered as useless, to all purposes of commerce and business, as if it were carried back to its native mines. Sir, is it not inconceivable that any man should fall upon such a scheme of policy as this? Is it possible that any one can fail to see the destructive effects of such a policy on the commerce and the currency of the country?

It is true, the system does not come into operation all at once. But it begins its demands for specie immediately; it calls upon the banks, and it calls upon individuals, for their hard dollars, that they may be put

away and locked up in the Treasury, *at the very moment when the country is suffering for want of more specie in the circulation, and the banks are suffering for means to enable them to resume their payments.* And this, it is expected, will improve the currency, and facilitate resumption !

It has heretofore been asserted, that the general currency of the country needed to be strengthened, by the introduction of more specie into the circulation. This has been insisted on, for years. Let it be conceded. I have admitted it, and, indeed, contended for the proposition heretofore, and endeavored to prove it. But it must be plain to every body, that any addition of specie, in order to be useful, must either go into the circulation, as a part of that circulation, or else it must go into the banks, to enable them the better to sustain and redeem their paper. But this bill is calculated to promote neither of those ends, but exactly the reverse. It withdraws specie from the circulation and from the banks, and piles it up in useless heaps in the Treasury. It weakens the general circulation, by making the portion of specie, which is part of it, so much the less; it weakens the banks, by reducing the amount of coin which supports their circulation. The general evil imputed to our currency, for some years past, is, that paper has formed too great a portion of it. The operation of this measure must be to increase that very evil. I have admitted the evil, and have concurred in measures to remedy it. I have favored the withdrawing of small bills from circulation, to the end that specie might take their place. I discussed this policy, and supported it, as early as 1832. My colleague, who, shortly after that period, was placed in the chair of the chief magistracy of Massachusetts, pressed its consideration, at length, upon the attention of the Legislature of that State. I still think it was a right policy. Some of the States had begun to adopt it. But the measures of the Administration, and especially this proposed measure, throw this policy all aback. They undo at once all that we have been laboring. Such, and so pertinacious has been the demand of Government for specie, and such new demand does this bill promise to create, that the States have found themselves compelled again to issue small bills for the use of the people. It was a day of rejoicing, as we have lately seen, among the people of New York, when the Legislature of that State suspended the small-bill restraining law, and furnished the people with some medium for small payments, better than the miserable trash which now annoys the community.

The Government, therefore, I insist, is evidently breaking down its own declared policy; it is defeating, openly and manifestly defeating, its own professed objects.

And yet, theory, imagination, presumptuous generalization, the application of military movements to questions of commerce and finance, and the abstractions of metaphysics, offer us, in such a state of things, their panacea. And what is it? What is it? What is to cure or mitigate these evils, or what is to ward off future calamities? Why, sir, the most agreeable remedy imaginable; the kindest, tenderest, most soothing, and solacing application in the whole world! Nothing,

sir, nothing upon earth, but a smart, delightful, perpetual, and irreconcileable warfare, between the Government of the United States and the State banks! All will be well, we are assured, when the Government and the banks become antagonistical! Yes, sir, "antagonistical!" that is the word. What a stroke of policy, sir, is this! It is as delicate a stratagem as poor old King Lear's, and a good deal like it. It proposes that we should tread lightly along, in felt or on velvet, till we get the banks within our power, and then, "kill, kill, kill!"

Sir, we may talk as much as we please about the resumption of specie payments, but I tell you that, with Government thus warring upon the banks, if resumption should take place, another suspension I fear would follow. It is not war, successful or unsuccessful, between Government and the banks; it is only peace, trust, confidence, that can restore the prosperity of the country. This system of perpetual annoyance to the banks, this hoarding up of money which the country demands for its own necessary uses, this bringing of the whole revenue to act, not in aid and furtherance, but in direct hindrance and embarrassment of commerce and business, is utterly irreconcileable with the public interest. We shall see no return of former times till it be abandoned—altogether abandoned. The passage of this bill will create new alarm and new distress.

People begin already to fear their own Government. They have an actual dread of those who should be their protectors and guardians. There are hundreds of thousands of honest and industrious men, sir, at this very moment, who would feel relieved in their circumstances, who would see better prospect of an honest livelihood, and feel more sure of the means of food and clothing for their wives and children, if they should hear that this measure had received its death. Let us, then, sir, away with it. Do we not see the world prosperous around us? Do we not see other Governments and other nations enlightened by experience, and rejecting arrogant innovations and theoretic dreams, accomplishing the great ends of society?

Why, sir, why are we, why are we alone among the great commercial States? Why are we to be kept on the rack and torture of these experiments? We have powers, adequate, complete powers. We need only to exercise them; we need only to perform our constitutional duty, and we shall spread content, cheerfulness, and joy, over the whole land.

This brings me, sir, to the second inquiry.

Is this measure, Mr. President, a just exercise of the powers of Congress, and does it fulfil all our duties?

Sir, I have so often discussed this point, I have so constantly insisted, for several years past, on the constitutional obligation of Congress to take care of the currency, that the Senate must be already tired of the speaker, if not weary of the topic; and yet, after all, this is the great and paramount question. Until this is settled, the agitation can never be quieted. If we have not the power, we must leave the whole subject in the hands of those who have it, or in no hands; but if we have the power, we are bound to exercise it, and

every day's neglect is a violation of duty. I therefore again insist, that we have the power, and I again press its exercise on the two Houses of Congress. I again assert, that the regulation of the general currency—of the money of the country, whatever actually constitutes that money—is one of our solemn duties.

The constitution confers on us, sir, the exclusive power of coinage. This must have been done for the purpose of enabling Congress to establish one uniform basis for the whole money system. Congress, therefore, and Congress alone, has power over the foundation, the ground-work, of the currency; and it would be strange and anomalous, having this, if it had nothing to do with the structure, the edifice, to be raised on this foundation! Convertible paper was already in circulation when the constitution was framed, and must have been expected to continue and to increase. But the circulation of paper tends to displace coin; it may banish it altogether: at this very moment it has banished it. If, therefore, the power over the coin does not enable Congress to protect the coin, and to restrain any thing which would supersede it, and abolish its use, the whole power becomes nugatory. If others may drive out the coin, and fill the country with paper which does not represent coin, of what use, I beg to know, is that exclusive power over coins and coinage which is given to Congress by the constitution?

Gentlemen on the other side admit that it is the tendency of paper circulation to expel the coin; but then they say, that, for that very reason, they will withdraw from all connexion with the general currency, and limit themselves to the single and narrow object of protecting the coin, and providing for payments to Government. This seems to me to be a very strange way of reasoning, and a very strange course of political conduct. The coinage-power was given to be used for the benefit of the whole country, and not merely to furnish a medium for the collection of revenue. The object was to secure, for the general use of the people, a sound and safe circulating medium. There can be no doubt of this intent. If any evil arises, threatening to destroy or endanger this medium or this currency, our duty is to meet it, not to retreat from it; to remedy it, not to let it alone; we are to control and correct the mischief, not to submit to it. Wherever paper is to circulate, as subsidiary to coin, or as performing, in a greater or less degree, the function of coin, its regulation naturally belongs to the hands which hold the power over the coinage. This is an admitted maxim by all writers; it has been admitted and acted upon, on all necessary occasions, by our own Government, throughout its whole history. Why will we now think ourselves wiser than all who have gone before us?

This conviction of what was the duty of Government led to the establishment of the bank in the administration of General Washington. Mr. Madison, again, acted upon the same conviction in 1816, and Congress entirely agreed with him. On former occasions, I have referred the Senate, more than once, to the clear and emphatic opinions and language of Mr. Madison, in his messages in 1815 and

1816, and they ought to be repeated, again and again, and pressed upon the public attention.

And now let me say, sir, that no man in our history has carried the doctrine farther, defended it with more ability, or acted upon it with more decision and effect, than the honorable member from South Carolina. His speech upon the Bank bill, on the 26th of February, 1816, is strong, full, and conclusive. He has heretofore said that some part of what he said on that occasion does not appear in the printed speech; but, whatever may have been left out by accident, that which is in the speech could not have got in by accident. Such accidents do not happen. A close, well-conducted, and conclusive constitutional argument, is not the result of an accident or of chance; and his argument on that occasion, as it seems to me, was perfectly conclusive. He founds the right of regulating the paper currency directly on the coinage power. "The only object," he says, "the framers of the constitution could have in view, in giving to Congress the power to coin money, regulate the value thereof, and of foreign coin, must have been to give a steadiness and fixed value to the currency of the United States." The state of things, he insisted, existing at the time of the adoption of the constitution, afforded an argument in support of the construction. There then existed, he said, a depreciated paper currency, which could only be regulated and made uniform by giving a power, for that purpose, to the General Government.

He proceeded to say that, by a sort of under-current, the power of Congress to regulate the money of the country had caved in, and upon its ruin had sprung up those institutions which now exercised the right of making money for and in the United States. "For gold and silver (he insisted) are not the only money; but whatever is the medium of purchase and sale; in which bank paper alone was now employed, and had, therefore, become the money of the country." "The right of making money," he added "an attribute of sovereign power, a sacred and important right, was exercised by two hundred and sixty banks, scattered over every part of the United States."

Certainly, sir, nothing can be clearer than this language; and, acting vigorously upon principles thus plainly laid down, he conducted the Bank bill, through the House of Representatives. On that occasion, he was the champion of the power of Congress over the currency, and others were willing to follow his lead.

But the Bank bill was not all. The honorable gentleman went much farther. The bank, it was hoped and expected, would furnish a good paper currency to the extent of its own issues; but there was a vast quantity of bad paper in circulation, and it was possible that the mere influence of the bank, and the refusal to receive this bad money at the Treasury, might not, both, be able to banish it entirely from the country. The honorable member meant to make clean work. He meant that neither Government nor people should suffer the evils of irredeemable paper. Therefore, he brought in another bill, entitled "A bill for the more effectual collection of the public revenue." By the provisions of this bill, he proposed to lay a direct stamp tax on

the bills of State banks; and all notes of non-specie-paying banks were, by this stamp, to be branded with the following words, in distinct and legible characters, at length—"NOT A SPECIE NOTE." For the tax laid on such notes, there was to be no composition, no commutation; but it was to be specifically collected, on every single bill issued, until those who issued such bills should announce to the Secretary of the Treasury, and prove to his satisfaction, that, after a day named in the bill, all their notes would be paid in specie on demand.

And now, how is it possible, sir, for the author of such a measure as this, to stand up and declare, that the power of Congress over the currency is limited to the mere regulation of the coin? So much for our authority, as it has heretofore been admitted and acknowledged, under the coinage power.

Nor, sir, is the other source of power, in my opinion, at all more questionable.

Congress has the supreme regulation of commerce. This gives it, necessarily, a superintendence over all the interests, agencies, and instruments of commerce. The words are general, and they confer the whole power. When the end is given, all the usual means are given. Money is the chief instrument or agent of commerce; there can, indeed, be no commerce without it, which deserves the name. Congress must, therefore, regulate it as it regulates other indispensable commercial interests. If no means were to be used to this end but such as are particularly enumerated, the whole authority would be nugatory, because no means are particularly enumerated. We regulate ships; their tonnage; their measurement; the shipping articles; the medicine chest; and various other things belonging to them; and for all this we have no authority but the general power to regulate commerce; none of these, or other means or modes of regulation are particularly and expressly pointed out.

But is a ship a more important instrument of commerce than money? We protect a policy of insurance, because it is an important instrument of ordinary commercial contract; and our laws punish with death any master of a vessel, or others, who shall commit a fraud on the parties to this contract by casting away a vessel. For all this we have no express authority. We infer it from the general power of regulating commerce, and we exercise the power in this case, because a policy of insurance is one of the usual instruments, or means, of commerce. But how inconsiderable and unimportant is a policy of insurance, as the means or an instrument of commerce, compared with the whole circulating paper of a country?

Sir, the power *is* granted to us; and granted without any specification of means; and therefore we may lawfully exercise all the usual means. I need not particularize these means, nor state, at present, what they are, or may be. One is, no doubt, a proper regulation of receipts at the custom-houses and land offices. But this, of itself, is not enough. Another is a national bank, which, I fully believe, would, even now, answer all desired purposes, and reinstate the currency in ninety days. These, I think, are the means to be first tried

and if, notwithstanding these, irredeemable paper should overwhelm us, others must be resorted to. We have no direct authority over State banks; but we have power over the currency, and we must protect it, using, of course, always, such means, if they be found adequate, as shall be most gentle and mild. The great measure, sir, is a bank; because a bank is not only able to restrain the excessive issues of State banks, but it is able also to furnish for the country a currency of universal credit, and of uniform value. This is the grand desideratum. Until such a currency is established, depend on it, sir, what is necessary for the prosperity of the country can never be accomplished.

On the question of power, sir, we have a very important and striking precedent.

The members of the Senate, Mr. President, will recollect the controversy between New York and her neighbor States, fifteen or sixteen years ago, upon the exclusive right of steam navigation. New York had granted an exclusive right of such navigation over her waters to Mr. Fulton and his associates; and declared by law, that no vessel propelled by steam should navigate the North river or the Sound, without license from these grantees, under penalty of confiscation.

To counteract this law, the Legislature of New Jersey enacted, that if any citizen of hers should be restrained, or injured, in person or property, by any party acting under the law of New York, such citizen should have remedy in her courts, if the offender could be caught within her territory, and should be entitled to treble damages and costs. New Jersey called this act a *law of retortion*; and justified it on the general ground of *reprisals*.

On the other side, Connecticut took fire, and as no steamboat could come down the Sound from New York to Connecticut, or pass up from Connecticut to New York, *without a New York license*, she enacted a law, by which heavy penalties were imposed upon all who should presume to come into her ports and harbors, *having any such license*.

Here, sir, was a very harmonious state of commercial intercourse! a very promising condition of things, indeed! You could not get from New York to New Haven by steam; nor could you go from New York to New Jersey, without transhipment in the bay. And now, sir, let me remind the country, that this belligerant legislation of the States concerned was justified and defended, by exactly the same arguments as those which we have heard in this debate. Every thing which has been said here, to prove that the authority to regulate commerce does not include a power to regulate currency, was said in that case, to prove that the same authority did not include an exclusive power over steamboats or other means of navigation. I do not know a reason, a suggestion, an idea, which has been used in this debate, or which was used in the debate in September, to show that Congress has no power to control the currency of the country and make it uniform, which was not used in this steamboat controversy, to prove that the authority of this Government did not reach the matter then in dispute.

Look to the forensic discussions in New York! Look to the argument in the court here! You will find it every where urged that *navigation* does not come within the general idea of regulating commerce; that steamboats are but vehicles and instruments; that the power of Congress is general, and general only; and that it does not extend to agents and instruments.

And what, sir, put an end to this state of things? What stopped these seizures and confiscations? Nothing in the world, sir, but the exercise of the constitutional power of this Government. Nothing in the world, but the decision of the Supreme Court, that the power of Congress to regulate commerce was paramount; that it overruled any interfering State laws; and that these acts of the States did interfere with acts of Congress, enacted under its clear constitutional authority.

As to the extent of the power of regulating commerce, allow me to quote a single sentence from the opinion of one of the learned judges of the Supreme Court, delivered on that occasion; a judge always distinguished for the great care with which he guarded State rights: I mean Mr. Justice Johnson. And when I have read it, sir, then say, if it does not confirm every word and syllable which I have uttered on this subject, either now, or at the September session. "In the advancement of society," said the judge, "labor, transportation, intelligence, care, and various means of exchange, become commodities, and enter into commerce; *and the subject, the vehicle, the agent, and these various operations, become the objects of commercial regulation.*"

These just sentiments prevailed. The decision of the Court quieted the dangerous controversy; and satisfied, and I will add gratified, most highly gratified, the whole country.

Sir, may we not perceive at the present moment, without being suspected of looking with eyes whose sight is sharpened by too much apprehension—may we not perceive, sir, in what is now passing around us, the possible beginnings of another controversy between States, which may be of still greater moment, and followed, if not arrested, by still more deplorable consequences? Do we see no danger, no disturbance, no contests ahead? Sir, do we not behold excited commercial rivalship, evidently existing between great States and great cities? Do we not see an emulous competition for trade, external and internal? Do we not see the parties concerned enlarging, and proposing to enlarge, to a vast extent, their plans of currency, evidently in connexion with these objects of trade and commerce? Do we not see States themselves becoming deeply interested in great banking institutions? Do we not know that, already, the notes and bills of some States are prohibited by law from circulating in others?

Sir, I will push these questions no farther: but I tell you that it was for exactly such a crisis as this—for this very crisis—for this identical exigency now upon us—that this constitution was framed, and this Government established. And, sir, let those who expect to get over this crisis without effort and without action, let those whose

hope it is that they may be borne along on the tide of circumstances and favorable occurrences, and who repose in the denial of their own powers and their own responsibility—let all such, look well to the end.

For one, I intend to clear myself from all blame. I intend, this day, to free myself of the responsibility of consequences, by warning you of the danger into which you are conducting our public affairs, by urging and entreating you, as I do now urge and entreat you, by invoking you, as I do invoke you, by your love of country, and your fidelity to the constitution, to abandon all untried expedients; to put no trust in ingenuity and contrivance; to have done with projects which alarm and agitate the people; to seek no shelter from obligation and duty; but with manliness, directness, and true wisdom, to apply to the evils of the times their proper remedy. That Providence may guide the counsels of the country to this end, before even greater disasters and calamities overtake us, is my most fervent prayer!

Mr. President, on the subject of the power of Congress, as well as on other important topics, connected with the bill, the honorable gentleman from South Carolina has advanced opinions, of which I feel bound to take some notice.

That honorable gentleman, in his recent speech, attempted to exhibit a contrast between the course of conduct which I, and other gentlemen who act with me, at present pursue, and that which we have heretofore followed. In presenting this contrast, he said, he intended nothing personal; his only object was truth. To this I could not object. The occasion requires, sir, that I should now examine *his* opinions; and I can truly say, with him, that I mean nothing personally injurious, and that my object, also, is truth, and nothing else. Here I might stop; but I will even say something more.

It is now five and twenty years, sir, since I became acquainted with the honorable gentleman, in the House of Representatives, in which he had held a seat, I think, about a year and a half before I entered it. From that period, sir, down to the year 1824, I can say, with great sincerity, there was not, among my political contemporaries, any man for whom I entertained a higher respect, or warmer esteem. When we first met, we were both young men. I beheld in him a generous character, a liberal and comprehensive mind, engrossed by great objects, distinguished talent, and, particularly, great originality and vigor of thought. That he was ambitious, I did not doubt; but that there was any thing in his ambition low or sordid, any thing approaching to a love of the mere loaves and fishes of office, I did not then believe, and do not now believe. If, from that moment down to the time I have already mentioned, I differed with him on any great constitutional question, I do not know it.

But in 1824, events well known to the Senate separated us; and that separation remained, wide and broad, until the end of the memorable session which terminated in March, 1833. With the events of that session, our occasions of difference had ceased; certainly for the time, and, as I sincerely hoped, forever. Before the next meeting of Congress, the public deposites had been removed from their lawful

custody by the President. Respecting this exercise of the Executive power, the honorable gentleman and myself entertained the same opinions; and, in regard to subsequent transactions connected with that, and growing out of it, there was not, so far as I know, any difference of sentiment between us. We looked upon all these proceedings but as so many efforts to give to the Executive an unconstitutional control over the public moneys. We thought we saw, everywhere, proofs of a design to extend Executive authority, not only in derogation of the just powers of Congress, but to the danger of the public liberty. We acted together, to check these designs, and to arrest the march of Executive prerogative and dominion. In all this, we were but co-operating with many other gentlemen here, and with a large and intelligent portion of the whole country.

The unfortunate results of these Executive interferences with the currency had made an impression on the public mind. A revolution seemed in progress, and the people were coming in their strength, as we began to think, to support us and our principles.

In this state of things, sir, we met here at the commencement of the September session: but we met, not as we had done; we met, not as we had parted. The events of May, the policy of the President in reference to those events, the doctrines of the message of September, the principles and opinions which the honorable gentleman, both to my surprise and to my infinite regret, came forward then to support, rendered it quite impossible for us to act together, for a single moment longer. To the leading doctrines of that message, and to the policy which it recommended, I felt, and still feel, a deep, conscientious, and irreconcilable opposition. The honorable gentleman supported, and still supports, both. Here, then, we part. On these questions of constitutional power and duty, and on these momentous questions of national policy, we separate. And so broad and ample is the space which divides us, and so deep does the division run, touching even the very foundations of the Government, that, considering the time of life to which we both have arrived, it is not probable that we are to meet again. I say this with unfeigned and deep regret. Believe me, sir, I would most gladly act with the honorable gentleman. If he would but come back, now, to what I consider his former principles and sentiments; if he would place himself on those constitutional doctrines which he has sustained through a long series of years; and if, thus standing, he would exert his acknowledged ability to restore the prosperity of the country, and put an end to the mischiefs of reckless experiments and dangerous innovation,—I would not only willingly act *with* him, I would act *under* him; I would follow him, I would support him, I would back him, at every step, to the utmost of my power and ability. Such is not to be our destiny. That destiny is, that we here *part:* and all I can say further is, that he carries with him the same feeling of personal kindness on my part, the same hearty good-will which have heretofore inspired me.

There have been three principal occasions, sir, on which the honorable gentleman has expressed his opinions upon the questions

now under discussion. They are, his speech of the 15th September, his published letter of the 3d November, and his leading speech at the present session. These productions are all marked with his characteristic ability; they are ingenious, able, condensed, and striking. They deserve an answer. To some of the observations in the speech of September, I made a reply on the day of its delivery; there are other parts of it, however, which require a more deliberate examination.

Mr. President, the honorable gentleman declares in that speech, "that he belongs to the State Rights party; that that party, from the beginning of the Government, has been opposed to a national bank as unconstitutional, inexpedient, and dangerous; that it has ever dreaded the union of the political and moneyed power, and the central action of the Government, to which it so strongly tends; that the connexion of the Government with the banks, whether it be with a combination of State banks, or with a national institution, will necessarily centralize the action of the system at the principal point of collection and disbursement, and at which the mother bank, or the head of the league of State banks, must be located. From that point, the whole system, through the connexion with the Government, will be enabled to control the exchanges both at home and abroad, and, with it, the commerce, foreign and domestic, including exports and imports."

Now, sir, this connexion between Government and the banks, to which he imputes such mischievous consequences, he describes to be "the receiving and paying away their notes as cash; and the use of the public money, from the time of the collection to the disbursement."

Sir, if I clearly comprehend the honorable gentleman, he means no more, after all, than this: that, while the public revenues are collected, as heretofore, through the banks, they will lie in the banks between the time of collection and the time of disbursement; that, during that period, they will be regarded as one part of the means of business and of discount possessed by the banks; and that, as a greater portion of the revenue is collected in large cities than in small ones, these large cities will, of course, derive greater benefit than the small ones from these deposites in the banks. In other words, that, as the importing merchants in a great city pay more duties to Government than those in a small one, so they enjoy an advantage to be derived from any use which the banks may make of these moneys, while on deposite with them. Now, sir, I would be very glad to know, supposing all this to be true, what there is in it either unequal or unjust? The benefit is exactly in proportion to the amount of business, and to the sums paid. If individuals in large cities enjoy the incidental use of more money, it is simply because they pay more money. It is like the case of credit on duty bonds. Whoever imports goods with the benefit of giving bond for duties, instead of making present payment, enjoys a certain benefit; and this benefit, in a direct sense, is in proportion to the amount of goods imported—the large

importer having credit for a large sum, the small importer having credit for a smaller sum. But the advantage, the benefit, or the indulgence, or whatever we call it, is, nevertheless, entirely equal and impartial.

How, then, does the collection of revenue through the banks "centralize" the action of the commercial system? It seems to me, sir, the cause is mistaken for the effect. The greatest amount of revenue is collected in the greatest city, because it is already the greatest city; because its local advantages, its population, its capital and enterprise, draw business towards it, constitute it a central point in commercial operations, and have made it the greatest city. It is the centralization of commerce by these just and proper causes—causes which must always exist in every country which produce a large collection of revenue in the favored spot. The amount of capital is one very important cause, no doubt; and leaving public moneys in the banks till wanted, allows to merchants, in places of large import, a degree of incidental benefit, in just proportion to the amount of capital by them employed in trade, and no more.

I suppose, sir, it is the natural course of things in every commercial country, that some place, or a few places, should go ahead of others in commercial business importance. This must ever be so, until all places possess precisely equal natural advantages. And I suppose, too, that, instead of being mischievous, it is rather for the common good of all, that there should be some commercial emporium, some central point, for the exchanges of trade. Government, certainly, should not seek to produce this result by the bestowal of unequal privileges; but surely, sir, it would be a very strange and indefensible policy which should lead the Government to withhold any portion of the capital of the country from useful employment, merely because that, if employed, while all enjoyed the benefit proportionately, all would not enjoy it with the same absolute mathematical equality.

So much, sir, for concentration, arising from depositing the revenues in banks. Let us now look to the other part of the connexion, viz: the receiving of bank notes for duties. How in the world does this "centralize" the commercial system? The whole tendency and effect, as it seems to me, is directly the other way. It counteracts centralization. It gives all possible advantage to local currency and local payments, and thereby encourages both imports and exports. It tends to make local money good everywhere. If goods be imported into Charleston, the duties are paid in Charleston notes. New York notes are not demanded. Nothing, certainly, can be fairer or more equal than this, and nothing more favorable to the Charleston importers.

But how would that system work, which the gentleman himself proposes?

If his plan could prevail, he would have the duties collected either in specie, or in a Government paper to be issued from the Treasury. He would reject all bank notes whatever. If the gentleman, sir, fears centralization, I am astonished that he does not see cen-

tralization in all its terrors in this very proposition of his own. Pray allow me to ask, sir, where will this Government paper, in the course of its issue and circulation, naturally centre? To what points will it tend? Certainly, most certainly, to the greatest points of collection and expenditure; to the very heart of the metropolitan city, wherever that city may be. This is as inevitable as the fall of water or the results of attraction. If two-thirds of the duties be collected in New York, it will follow, of course, that two-thirds of any Government paper received for duties will be there received; and it will be more valuable there than elsewhere. The value of such paper would consist in its receivability, and nothing else. It would always tend, therefore, directly to the spot where the greatest demand should exist for it for that purpose. Is it not so at this moment with the outstanding Treasury notes? Are they abundant in Georgia, in Mississippi in Illinois, or in New Hampshire? No sooner issued, than they commence their march toward the place where they are most valued and most in demand: that is, to the place of the greatest public receipt. If you want concentration, sir, and enough of it—if you desire to dry up the small streams of commerce, and fill more full the deep and already swollen great channels, you will act very wisely to that end, if you keep out of the receipt of the Treasury all money but such paper as the Government may furnish, and which shall be no otherwise redeemable than in receipt for debts to Government while at the same time you depress the character of the local circulation.

Such is the scheme of the honorable member in its probable commercial effect. Let us look at it in a political point of view.

The honorable member says he belongs to the State-rights party; that party professes something of an uncommon love of liberty; an extraordinary sensibility to all its dangers; and of those dangers, it most dreads the union of the political and money power. This we learn from the authentic declaration of the gentleman himself. And now, oh, transcendental consistency! oh, most wonderful conformity of means and ends! oh, exquisite mode of gratifying high desires! behold, the honorable member proposes that the political power of the State shall take to itself the whole function of supplying the entire paper circulation of the country, by notes or bills of its own, issued at its own discretion, to be paid out or advanced to whomsoever it pleases, in discharging the obligations of Government, bearing no promise to pay, and to be kept in circulation merely by being made receivable at the Treasury! The whole circulation of the country, excepting only that which is metallic, and which must always be small, will thus be made up of mere Government paper, issued for Government purposes, and redeemable only in payment of Government debts. In other words, the entire means of carrying on the whole commerce of the country will be held by Government in its own hands, and made commensurate, exactly, with its own wants, purposes, and opinions; the whole commercial business of the country being thus made a mere appendage to revenue.

But, sir, in order that I may not misrepresent the honorable member, let me show you a little more distinctly what his opinions are respecting this Government paper.

The honorable member says, sir, that to make this sub-treasury measure successful, and to secure it against reaction, some safe and stable medium of circulation, "to take the place of bank notes in the fiscal operations of the Government, ought to be issued;" that, "in the present condition of the world, a paper currency, in some form, if not necessary, is almost indispensable, in financial and commercial operations of civilized and extensive communities;" that "the great desideratum is to ascertain what description of paper has the requisite qualities of being free from fluctuation in value, and liability to abuse in the greatest perfection;" that bank notes do not possess these requisites in a degree sufficiently high for this purpose." And then he says, "I go farther. It appears to me, after bestowing the best reflection I can give the subject, that no convertible paper, that is, no paper whose credit rests upon a *promise to pay*, is suitable for currency." "On what, then, (he asks,) ought a paper currency to rest?" "I would say," he answers, "on demand and supply simply: which regulate the value of every thing else—the constant demand which Government has for its necessary supplies." He then proceeds to observe, "that there might be a sound and safe paper currency, founded on the credit of Government exclusively." "That such paper, only to be issued to those who had claims on the Government, would, in its habitual state, be at or above par with gold and silver;" that "nothing but experience can determine what amount, and of what denominations, might be safely issued; but that it might be safely assumed that the country would absorb an amount greatly exceeding its annual income. Much of its exchanges, which amount to a vast sum, as well as its banking business, would revolve about it; and many millions would thus be kept in circulation beyond the demands of the Government."

By this scheme, sir, Government, in its disbursements, is not to pay money, but to issue paper. This paper is no otherwise payable or redeemable, than as it may be received at the Treasury. It is expected to be let out much faster than it comes in, so that many millions will be kept in circulation; and its habitual character will be at or above par with gold and silver! Now, sir, if there is to be found anywhere a more plain and obvious project of paper money, in all its deformity, I should not know where to look for it.

In the first place, sir, I have suggested the complete union which it would form, if it were, in itself, practicable, between the political and the money power.

The whole commerce of the country, indeed, under such a state of law, would be little more than a sort of incident to Treasury operations—rather a collateral emanation of the revenue system, than a substantial and important branch of the public interest. I have referred also, to its probable consequences, upon that which the gentle-

man regards as so great an evil, and which he denominates "the centralization of commercial action."

And now I pray you to consider, Mr. President, in the next place, what an admirable contrivance this would be to secure that economy in the expenses of Government which the gentleman has so much at heart. Released from all necessity of taxation, and from the consequent responsibility to the people; not called upon to regard at all, the amount of annual income; having an authority to cause Treasury notes to issue whenever it pleases,

> "In multitudes, like which the populous North
> Poured never from her frozen loins, to pass
> Rhene, or the Danau;"

what admirable restraint would be imposed on Government, how doubly sure would assurance be made for it, that all its expenditures would be strictly limited to the absolute and indispensable wants and demands of the public service!

But, sir, fortunately, very fortunately, a scheme so wild, and which would be so mischievous, is totally impracticable. It rests on an assumption, for which there is not the least foundation, either in reason or experience. It takes for granted that which the history of every commercial state refutes, and our own, especially, in almost every page. It supposes that irredeemable Government paper can circulate in the business of society, and be kept at par. This is an impossibility. The honorable gentleman rejects convertible bank notes, which are equivalent to specie, since they will always command it, and adopts, in their stead, Government paper, with no promise to pay, but a promise only to be received for debts and taxes; and he puts forth the imagination, as I have said, so often and so long refuted, that this paper will be kept in circulation in the country, and will be able to perform the great business of currency and exchange, even though it exist in quantities exceeding, by many millions, the demands of Government.

If it be necessary, sir, at this day, to refute ideas like these, it must be because the history of all countries, our own included, is a dead letter to us. Even at the very moment in which I am speaking, the small amount of Treasury notes which has been issued by Government, hardly a fifth part of the ordinary annual revenue—though those notes bear an interest of five per cent—though they are redeemable in cash at the Treasury, at the expiration of the year—and though, in the mean time, they are everywhere received in Government dues, are not only of less value than specie, but of less value, also, than the notes of non-specie-paying banks; those banks whose paper is daily denounced here as "rags, filthy rags." In my opinion, sir, the whole scheme is as visionary and impracticable as any which the genius of project ever produced.

Mr. President, toward the close of this speech of September, I find a paragraph in which several other subjects are brought together, and which I must ask permission to read.

Having commended the wise and noble bearing of the little State-rights party, of which he says it is his pride to be a member throughout the eventful period through which the country has passed since 1824, he adds:

"In that year, as I have stated, the tariff system triumphed in the councils of the nation. We saw its disastrous political bearings; foresaw its surpluses, and the extravagancies to which it would lead; we rallied on the election of the late President to arrest it through the influence of the executive department of the Government. In this we failed. We then fell back upon the rights and sovereignty of the States; and, by the action of a small but gallant State, and through the potency of its interposition, we brought the system to the ground, sustained, as it was, by the opposition and the administration, and by the whole power and patronage of the Government."

Every part of this most extraordinary statement well deserves attention.

In the first place, sir, here is an open and direct avowal that the main object for rallying on General Jackson's first election, was to accomplish the overthrow of the protecting policy of the country. Indeed! Well, this is very frank. I am glad to hear the avowal made. It puts an end to all suspicions.

It was, then, to overthrow protection, was it, that the honorable gentleman took so much pains to secure General Jackson's first election? I commend his candor, in now acknowledging it. But, sir, the honorable member had allies and associates in that rally. They thronged round him from all quarters, and followed his lead. And pray, sir, was his object, as now avowed by himself, the joint object of all the party? Did he tell Pennsylvania, honest, intelligent, straightforward Pennsylvania, that such was his purpose? And did Pennsylvania concur in it? Pennsylvania was first and foremost in espousing the cause of General Jackson. Everybody knows she is more of a tariff State than any other in the Union. Did he tell her that his purpose was to break the tariff entirely down? Did he state his objects, also, to New York? Did he state them to New Jersey? What say you, gentlemen from Pennsylvania? gentlemen from New York? and gentlemen from New Jersey? Ye who supported General Jackson's election, what say you? Was it your purpose, also, by that election, to break down the protective policy? Or, if it were not your purpose, did you know, nevertheless—pray let us understand that—did you know, nevertheless, that it *was* the purpose, and the main purpose, of the honorable member from Carolina? and did you, still, co-operate with him?

The present Chief Magistrate of the country was a member of this body in 1828. He and the honorable member from Carolina were, at that time, exerting their united forces, to the utmost, in order to bring about General Jackson's election. Did they work thus zealously together, for the same ultimate end and purpose? or did they mean

merely to change the Government, and then each to look out for himself?

Mr. Van Buren voted for the tariff bill of that year, commonly called the "bill of abominations;" but, very luckily, and in extremely good season, *instructions* for that vote happened to come from Albany! The vote, therefore, could be given, and the member giving it could not possibly thereby give any offence to any gentleman of the State-rights party, with whom the doctrine of instructions is so authentic.

Sir, I will not do gentlemen injustice. Those who belonged to tariff States, as they are called, and who supported General Jackson for the Presidency, did not intend thereby to overthrow the protecting policy. They only meant to make General Jackson President, and to come into power along with him! As to ultimate objects, each had his own. All could agree, however, in the first step. It was difficult, certainly, to give a plausible appearance to a political union, among gentlemen who differed so widely, on the great and leading question of the times—the question of the protecting policy. But this difficulty was overcome by the oracular declaration that General Jackson was in favor of a "JUDICIOUS TARIFF."

Here, sir, was ample room and verge enough. Who could object to a *judicious tariff?* Tariff men and Anti-tariff men, State-rights men and Consolidationists, those who had been called prodigals and those who had been called radicals, all thronged and flocked together here, and with all their difference in regard to ultimate objects, agreed to make common cause, till they should get into power.

The ghosts, sir, which are fabled to cross the Styx, whatever different hopes or purposes they may have beyond it, still unite, in the present wish to get over, and therefore all hurry and huddle into the leaky and shattered craft of Charon, the ferryman. And this motly throng of politicians, sir, with as much difference of final object, and as little care for each other, made a boat of "Judicious Tariff," and all rushed and scrambled into it, until they filled it, near to sinking. The authority of the master was able however, to keep them peaceable and in order, for the time, for they had the virtue of submission, and though with occasional dangers of upsetting, he succeeded in pushing them all over with his long setting-pole.

"Ratem conto subigit."

Well, sir, the honorable gentleman tells us that he expected, when Gen. Jackson should be elected, to arrest the tariff system *through the influence of the Executive Department.* Here is another candid confession. Arrest the tariff by Executive influence! Indeed! Why, sir, this seems like hoping, from the first, for the use of the Veto. How, but by the Veto, could the Executive arrest the tariff acts? And is it true, sir, that, at that early day, the honorable member was looking to the Veto, not with dread, but with hope? Did he expect it, and did he rely upon it? Did he make the rally of which he speaks,

in order that he might choose a President who would exercise it? And did he afterwards complain of it, or does he complain of it now, only because it was ill-directed—because it turned out to be a thunderbolt, which did not fall in the right place?

In this reliance on Executive influence—sir, I declare I hardly can trust myself that I read or quote correctly, when I find, in what I read, or from what I quote, the honorable member from South Carolina, by his own confession, hoping or expecting to accomplish any thing by Executive influence; yet so was it spoken, and so is it printed—in this reliance, or this hope, or expectation, founded on Executive influence, the honorable gentleman and his friends failed; and, failing in this, he says, they fell back on the sovereignty of the States, and brought the system to the ground "through the potency of interposition;" by which he means neither more nor less than Nullification. So then, sir, according to this, that excessive fear of power which was so much cherished by the nullifiers, was only awakened to a flame in their bosoms, when they found that they could not accomplish their own ends by the Executive power of the President.

I am no authorized commentator, sir, on the doctrines or theories of nullification. *Non nostrum.* But, if this exposition be authentic, I must say it is not calculated to diminish my opposition to the sentiments of that school.

But the gentleman goes on to tell us that nullification, or interposition, succeeded. By means of it, he says, he did bring the protective system to the ground. And so, in his published letter of November 3d, he states that "State interposition has overthrown the protective tariff, and, with it, the American system."

We are to understand, then, sir, first, that the compromise act of 1833 was forced upon Congress by State interposition, or nullification.

Next, that its object and design, so far as the honorable gentleman was concerned in it, was to break down and destroy, forever, the whole protective policy of the country.

And lastly, that it has accomplished that purpose, and that the last vestige of that policy is wearing away.

Now, sir, I must say, that, in 1833, I entertained no doubt at all that the design of the gentleman was exactly what he now states. On this point, I have not been deceived. It was not, certainly, the design of all who acted with him; but, that it was his purpose, I knew then, as clearly as I know now, after his open avowal of it; and this belief governed my conduct at the time, together with that of a great majority of those in both Houses of Congress, who, after the act of 1824, felt bound to carry out the provisions of that act, and to maintain them reasonably and fairly. I opposed the compromise act with all my power. It appeared to me every way objectionable: it looked like an attempt to make a new constitution; to introduce another fundamental law, above the power of Congress, and which should control the authority and discretion of Congress, in all time to come.

This, of itself, was a conclusive objection with me; I said so then, have often said so since, and say so now. I said, then, that I, for one, should not be bound by that law more than by any other law, except that, as it was a law passed on a very important and agitating subject, I should not be disposed to interfere with it, until a case of clear necessity should arise. On this principle I have acted since. When that case of necessity shall arise, however, should I be in public life, I shall concur in any alteration of that act, which such necessity may require. That such an occasion may come, I more than fear. I entertain something stronger than a doubt upon the possibility of maintaining the manufactures and industry of this country, upon such a system as the compromise act will leave us, when it shall have gone through its processes of reduction. All this, however, I leave to the future.

Having had occasion, Mr. President, to speak of Nullification and the Nullifiers, I beg leave to say, that I have not done so for any purpose of reproach. Certainly, sir, I see no possible connexion, myself, between their principles or opinions, and the support of this measure. They, however, must speak for themselves. They may have intrusted the bearing of their standard, for aught I know, to the hands of the honorable member from South Carolina; and I perceived last session, what I perceive now, that in his opinion there is a connexion between these projects of Government and the doctrines of Nullification. I can only say, sir, that it will be marvellous to me if that banner, though it be said to be tattered and torn, shall yet be lowered in obeisance, and laid at the footstool of Executive power. To the sustaining of that power, the passage of this bill is of the utmost importance. The Administration will regard its success as being to them, what Cromwell said the battle of Worcester was to him—"a crowning mercy." Whether gentlemen, who have distinguished themselves so much by their extreme jealousy of this Government, shall now find it consistent with their principles to give their aid in accomplishing this consummation, remains to be seen.

The next exposition of the honorable gentleman's sentiments and opinions, is his letter of November 3d.

This letter, sir, is a curiosity. As a paper, describing political movements, and exhibiting political opinions, it is without a parallel. Its phrase is altogether military. It reads like a despatch, or a bulletin from headquarters. It is full of attacks, assaults, and repulses. It recounts movements and counter-movements; speaks of occupying one position, falling back upon another, and advancing to a third; it has positions to cover enemies, and positions to hold allies in check. Meantime, the celerity of all these operations reminds one of the rapidity of the military actions of the King of Prussia, in the seven years' war. Yesterday he was in the South, giving battle to the Austrian—to-day he is in Saxony, or Silesia; instantly he is found to have traversed the Electorate, and is facing the Russian and the Swede on

his Northern frontier. If you look for his place on the map, before you find it he has quitted it. He is always marching, flying, falling back, wheeling, attacking, defending, surprising; fighting everywhere, and fighting all the time. In one particular, however, the campaigns, described in this letter, differ from the manner in which those of the great Frederick were conducted. I think we nowhere read, in the narrative of Frederick's achievements, of his taking a position to cover an enemy, or a position to hold an ally in check. These refinements, in the science of tactics and of war, are of more recent discovery.

Mr. President, public men must certainly be allowed to change their opinions, and their associations, whenever they see fit. No one doubts this. Men may have grown wiser, they may have attained to better and more correct views of great public subjects. It would be unfortunate, if there were any code which should oblige men, in public or private life, to adhere to opinions once entertained, in spite of experience and better knowledge, and against their own convictions of their erroneous character. Nevertheless, sir, it must be acknowledged, that what appears to be a sudden, as well as a great change, naturally produces a shock. I confess, for one, I was shocked, when the honorable gentleman, at the last session, espoused this bill of the Administration. And when I first read this letter of November, and, in the short space of a column and a half, ran through such a succession of political movements, all terminating in placing the honorable member in the ranks of our opponents, and entitling him to take his seat, as he has done, among them, if not at their head, I confess I felt still greater surprise. All this seemed a good deal too abrupt. Sudden movements of the affections, whether personal or political, are a little out of nature.

Several years ago, sir, some of the wits of England wrote a mock play, intended to ridicule the unnatural and false feeling, the *sentimentality*, of a certain German school of literature. In this play, two strangers are brought together at an inn. While they are warming themselves at the fire, and before their acquaintance is yet five minutes old, one springs up and exclaims to the other, "A sudden thought strikes me! Let us swear an eternal friendship!"

This affectionate offer was instantly accepted, and the friendship duly sworn, unchangeable and eternal! Now, sir, how long this eternal friendship lasted, or in what manner it ended, those who wish to know, may learn by referring to the play.

But it seems to me, sir, that the honorable member has carried his political sentimentality a good deal higher than the flight of the German school; for he appears to have fallen suddenly in love, not with strangers, but with opponents.

Here we all had been, sir, contending against the progress of Executive power, and more particularly, and most strenuously, against the projects and experiments of the Administration, upon the currency. The honorable member stood among us, not only as

an associate, but as a leader. We thought we were making some headway. The people appeared to be coming to our support and our assistance. The country had been roused; every successive election weakening the strength of the adversary, and increasing our own. We were in this career of success carried strongly forward by the current of public opinion, and only needed to hear the cheering voice of the honorable member,

"Once more unto the breach, dear friends, once more!"

and we should have prostrated, forever, this anti-constitutional, anti-commercial, anti-republican, and anti-American policy of the Administration. But, instead of these encouraging and animating accents, behold! in the very crisis of our affairs, on the very eve of victory, the honorable member cries out—to the enemy—not to us, his allies—but to the enemy—"Holloa! A sudden thought strikes me! I abandon my allies! Now I think of it, they have always been my oppressors! I abandon them, and now let *you and me* swear an eternal friendship!"

Such a proposition, from such a quarter, sir, was not likely to be long withstood. The other party was a little coy, but, upon the whole, nothing loath. After proper hesitation, and a little decorous blushing, it owned the soft impeachment, admitted an equally-sudden sympathetic impulse on its own side; and, since few words are wanted where hearts are already known, the honorable gentleman takes his place among his new friends, amidst greetings and caresses, and is already enjoying the sweets of an eternal friendship.

In this letter, Mr. President, the writer says, in substance, that he saw, at the commencement of the last session, that affairs had reached the point, when he and his friends, according to the course they should take, would reap the full harvest of their long and arduous struggle, against the encroachments and abuses of the General Government, or lose the fruits of all their labors.

At that time, he says, State interposition (viz. Nullification) had overthrown the protecting tariff and the American system, and put a stop to Congressional usurpation; that he had previously been united with the National Republicans; and that their joint attacks had brought down the power of the Executive; but that, in joining such allies, he was not insensible to the embarrassment of his position; that, with them, victory itself was dangerous; and that therefore he had been waiting for events; that now, (that is to say, in September last,) the joint attacks of the allies had brought down Executive power; that the Administration had become divested of power and influence, and that it had become clear that the combined attacks of the allied forces would utterly overthrow and demolish it. All this he saw. But he saw, too, as he says, that in that case the victory would enure, not to him or his cause, but to his allies and their cause. I do not mean to say that he spoke of personal victories, or alluded to personal objects, at all. He spoke of his cause.

He proceeds to say, then, that never was there before, and never,

probably, will there be again, so fair an opportunity for himself and his friends to carry out *their own principles and policy*, and to reap the fruits of their long and arduous struggle. These principles and this policy, sir, be it remembered, he represents, all along, as identified with the principles and policy of nullification. And he makes use of this glorious opportunity, by refusing to join his late allies in any further attack on those in power, rallying anew the old State Rights party to hold in check their old opponents, the National Republican party. This, he says, would enable him to prevent the complete ascendancy of his allies, and to compel the Southern division of the Administration party to occupy the ground of which he proposes to take possession, to wit, the ground of the old State-rights party. They will have, he says, no other alternative.

Mr. President, stripped of its military language, what is the amount of all this, but that, finding the Administration weak, and likely to be overthrown, if the opposition continued with undiminished force, he went over to it, to join it; to act, himself, upon nullification principles; and to compel the Southern members of the Administration to meet him on those principles?—in other words, to make a nullification Administration, and to take such part in it as should belong to him and his friends. He confesses, sir, that in thus abandoning his allies, and taking a position to cover those in power, he perceived a shock would be created, which would require some degree of resolution and firmness. In this he was right. A shock, sir, has been created; yet there he is.

This Administration, sir, is represented as succeeding to the last, by an inheritance of principle. It professes to tread in the footsteps of its illustrious predecessor. It adopts, generally, the sentiments, principles, and opinions, of General Jackson—*Proclamation and all:* and yet, though he be the very prince of Nullifiers, and but lately regarded as the chiefest of sinners, it receives the honorable gentleman with the utmost complacency; to all appearance the delight is mutual; they find him an able leader, he finds them complying followers. But, sir, in all this movement, he understands himself. He means to go ahead, and to take them along. He is in the engine-car; he controls the locomotive. His hand regulates the steam, to increase or retard speed, at his own discretion. And as to the occupants of the passenger-cars, sir, they are as happy a set of gentlemen as one might desire to see, of a summer's day. They feel that they are in progress; they hope they shall not be run off the track; and when they reach the end of their journey, they desire to be thankful!

The arduous struggle is now all over. Its richest fruits are all reaped; Nullification embraces the Sub-Treasuries, and oppression and usurpation will be heard of no more.

On the broad surface of the country, sir, there is a spot called "the Hermitage." In that residence is an occupant very well known, and not a little remarkable both in person and character. Suppose, sir, the occupant of the Hermitage were now to open that door, enter the

Senate, walk forward, and look over the Chamber to the seats on the other side. Be not frightened, gentlemen, it is but fancy's sketch. Suppose he should thus come in among us, sir, and see into whose hands has fallen the chief support of that Administration, which was, in so great a degree, appointed by himself, and which he fondly relied on to maintain the principles of his own. If gentlemen were now to see his steady military step, his erect posture, his compressed lips, his firmly knitted brow, and his eye full of fire, I cannot help thinking, sir, they would all feel somewhat queer. There would be, I imagine, not a little awkward moving, and shifting in their seats. They would expect soon to hear the roar of the lion, even if they did not feel his paw.

I proceed, sir, to the speech of the honorable member, delivered on the 15th of February last, in which he announces propositions, respecting the constitutional power of Congress, which, if they can be maintained, must necessarily give a new direction to our legislation, and would go far towards showing the necessity of the present bill.

The honorable member, sir, insists that Congress has no right to make general deposites of the public revenue in banks; and he denies, too, that it can authorize the reception of any thing but gold and silver in the payment of debts and dues to the Government.

These questions, sir, are questions of magnitude, certainly, and since they have been raised, ought to be answered. They may be considered together. Allow me in the first place, however, to clear them from some extraneous matter. The honorable member puts the first question thus: Have we the right to make deposites in the banks, in order to bestow confidence in them, with a view to enable them to resume specie payments? And, by way of illustration, asks the further question, Whether Government could constitutionally bestow on individuals, or a private association, the same advantages, in order to enable *them* to pay their debts? But this I take not to be the question. The true inquiry is, May not Congress authorize the public revenue, in the intervening time between its receipt and its expenditure, to be deposited in banks, for the general purpose of safe-keeping, in the same way as individuals deposite their own money? And if this mode of safe-keeping be attended with incidental advantages, of considerable importance to the community, is not that a reason which may properly govern the discretion of Congress in the case? To benefit the banks, or to benefit the community, is, in this case, not the main object; it is only the incident; and as to the case put for illustration, it would not be expected of Congress, certainly, to make deposites with individuals with a view, principally, of enabling such individuals to pay their debts: it might, nevertheless, be very competent to Congress, in some cases, and a very proper exercise of its power, to deposite money, even with individuals, in such manner as that it might be advantageous to the depositary. This incidental or consequential advantage results, often, from the nature of the transaction, and is inseparable from it. It may always be

enjoyed, more or less, by any one, who holds public money for disbursement. In order to the necessary exercise of any of its powers, Government doubtless may make contracts with banks or other corporations as well as with individuals. If it has occasion to buy bills of exchange, it may buy them of banks. If it has stock or Treasury notes to sell, it may sell to banks, as the Secretary of the Treasury has lately proposed. It may employ banks, therefore, at its discretion, for the keeping of the public moneys, as those moneys must be kept somewhere. It can no more need a specific grant of power in the constitution for such a purpose, than one merchant, becoming agent for another to receive and pay out money, would need a particular clause in his authority, enabling him to use banks for these purposes as other persons use them. No question has ever been raised in this Government about the power of Congress to authorize such deposites. Mr. Madison, in opposing the first bank charter in 1791, argued, strenuously, that a Bank of the United States was not necessary to Government as a depository of the public moneys, because, he insisted, its use could be supplied by other banks. This sufficiently shows his opinion. And in 1800, Congress made it the duty of the collectors of customs to deposite bonds for duties in the bank and its branches for collection.

When the charter of the first bank expired, in 1811, almost every gentleman who opposed its renewal contended that it was not necessary for the purpose of holding deposites of revenue, because State banks could answer all such purposes equally well. A strong and prevailing tone of argument runs through all the speeches on that occasion, tending to this conclusion; viz: that Government may derive from State banks all the benefit which a Bank of the United States could render. In 1816, when the charter of the last bank was granted, it contained, as originally presented, no provision for making the public deposites in the bank. The bill was probably drawn, in this parcular, from the model of the first charter, in which no such clause was contained, without adverting to the law of 1800; but a section was introduced, on my motion, making it the duty of collectors to deposite the public moneys in the bank and its branches. It was this section of the law which some of us thought was violated by the removal of the deposites. The main object of the deposite bill of 1836, as we know, was to regulate deposites of the public money with the State banks; so that, from the commencement of the Government to the present time, nobody has thought of making any question of the constitutional power of Congress to make such arrangements.

The gentleman's other proposition, and which he lays down with still more confidence and emphasis, is, that Congress cannot, constitutionally, authorize the receipt of bank notes, though they be notes of specie-paying banks, in payment of debts to Government; because, he says, that would make them money; and if we make them money, then we are bound to control and regulate that money. Most certainly, sir, I agree with the honorable member, that when bank notes become money, we are bound to control and regulate them. I thank

him for this admission; since it goes a great way to support that proposition, for which I have been contending. That bank notes have become money in fact, that they answer the uses of money, that, in many respects, the law treats them as money, is certain. Why, then, are we not already bound to control and regulate them? The gentleman will say, because we have not, ourselves, made them money. But is that any answer? If they have become money in fact, they require the same regulation, and we have the same authority to bestow it, as if they had acquired that character by any acts of our own: because our power is general; it is to take care of the money of the country, and to regulate all the great concerns of commerce.

But let us see how this opinion of the honorable member stands upon the authorities in our own history.

When the first bank was established, the right of Congress to create such a corporation was, as we all know, very much disputed. Large majorities, however, in both Houses, were of opinion that the right existed, and they therefore granted the charter; and in this charter there was an express provision that the bills of the bank should be receivable in all payments to Government. Those who opposed the bank did not object to this clause: on the contrary, they went even much farther; and Mr. Madison expressly insisted that Congress might grant or refuse, to State banks, the privilege of having their notes received in revenue. In 1791, therefore, men of all parties supposed that Congress, in its discretion, might authorize the receipt of bank notes. The same principle was incorporated into the bank charter of 1816: indeed, it was in the bill which the gentleman himself reported; and it passed without objection from any quarter. But this is not all. Mr. President, let us look into the proceedings of the session of 1815–'16, a little more closely. At the commencement of that session, Mr. Madison drew our attention to the state of the currency; by which he meant the paper currency of the country, which was then very much disordered, as the banks had suspended specie payment during the war, and had not resumed. Early in the progress of the session, the honorable member from South Carolina moved that this part of the message should be referred to a select committee. It was so ordered. The committee was raised, and the honorable gentleman placed at its head. As chairman of the committee, he introduced the bank bill, explained it, defended it, and carried it triumphantly through the House, having in it the provision which I have before mentioned.

But there is something more. At the same session the gentleman introduced the bill for the further collection of the revenue, to which I have already referred, and in which bill he carried the receivability of bank notes much further, and provided that *notes of any bank or bankers which were payable and paid, on demand, in specie, might be allowed and accepted in all payments to the United States.* So that the honorable gentleman himself drew, with his own pen, the very first legal enactment in the history of this Government, by which it was provided that the notes of State banks should

be considered and treated as money at the Treasury. Still further, sir. The bill containing this provision did not pass the House; and as I deemed some provision necessary, indispensably necessary, for the state of things then existing, I introduced, I think the very next day after the failure of the honorable gentleman's bill, three resolutions. The two first were merely declaratory, asserting that all duties, taxes, and imposts, ought to be uniform, and that the revenues of the United States ought to be collected and received in the legal currency, or in Treasury notes, or the notes of the Bank of the United States, as by law provided. These two resolutions I agreed to waive, as it was thought they were not essential, and that they might imply some degree of censure upon past transactions. The third resolution was in these words:

"*And resolved, further*, That the Secretary of the Treasury be, and he hereby is, required and directed to adopt such measures as he may deem necessary to cause, as soon as may be, all duties, taxes, debts, or sums of money accruing or becoming payable to the United States, to be collected and paid in the legal currency of the United States, or Treasury notes, or notes of the Bank of the United States, as aforesaid; and that from and after the 1st day of February next, no such duties, taxes, debts, or sums of money accruing or becoming payable to the United States as aforesaid, ought to be collected or received otherwise than in the legal currency of the United States, or Treasury notes, or notes of the Bank of the United States, as aforesaid."

The Senate will perceive that, in this resolution of mine, there was no provision whatever for receiving bank notes, except of the Bank of the United States, according to its charter. Well, what happened thereon? Why, sir, if you look into the National Intelligencer of a succeeding day, you will find it stated, that Mr. Calhoun moved to amend Mr. Webster's resolution by "*extending its provisions to the notes of all banks which should, at the time specified therein, pay their notes in specie on demand.*"

This amendment was opposed, and for a time defeated; but it was renewed, and finally prevailed. It was incorporated into the resolution, became part of the law of the land, and so remains at this very moment. Sir, may I not now say to the honorable member, that if the constitution of the country has been violated by treating bank notes as money—"Thou art the man!"

How is it possible, sir, the gentleman could so far forget his own agency in these most important transactions, as to stand up here, the other day, and with an air not only of confidence but of defiance, say: "But I take a still higher ground; I strike at the root of the mischief. I deny the right of this Government to treat bank notes as money in its fiscal transactions. On this great question I never have before committed myself, though not generally disposed to abstain from forming or expressing opinions."

I will only add, sir, that this reception and payment of bank notes was expressly recognised by the act of the 14th April, 1836; by the deposite act of June of that year, and by the bill which passed both

Houses in 1837, but which the President did neither approve nor return. In all these acts, so far as I know, the honorable member from South Carolina himself concurred.

So much for authority.

But now, sir, what is the principle of construction upon which the gentleman relies to sustain his doctrine? "The genius of our constitution," he says, "is opposed to the assumption of power." This is undoubtedly true: no one can deny it. But he adds, "whatever power it gives, is expressly granted."

But I think, sir, this by no means follows from the first proposition, and cannot be maintained. It is doubtless true that no power is to be assumed; but then powers may be inferred, or necessarily implied. It is not a question of assumption, it is a question of fair, just, and reasonable inference. To hold that no power is granted and no means authorized, but such as are granted or authorized by express words, would be to establish a doctrine that would put an end to the Government. It could not last through a single session of Congress. If such opinions had prevailed in the beginning, it never could have been put in motion, and would not have drawn its first breath. My friend, near me, from Delaware, has gone so fully and so ably into this part of the subject, that it has become quite unnecessary for me to pursue it. Where the constitution confers on Congress a general power, or imposes a general duty, all other powers necessary for the exercise of that general power and for fulfilling that duty, are implied, so far as there is no prohibition. We act every day upon this principle, and could not carry on the Government without its aid. Under the power to coin money, we build expensive mints—fill them with officers—punish such officers for embezzlement—buy bullion—and exercise various other acts of power.

The constitution says that the judicial power of the United States shall be vested in certain courts. Under this general authority we not only establish such courts, but protect their records by penalties against forgery, and the purity of their administration by punishing perjuries.

The Department of the Post Office is another, and signal instance, of the extent and necessity of implied powers. The whole authority of Congress over this subject is expressed in very few words; they are merely "to establish post offices and post roads." Under this short and general grant, laws of Congress have been extended to a great variety of very important enactments, without the specific grant of any power whatever, as any one may see who will look over the post-office laws. In these laws, among other provisions, penalties are enacted against a great number of offences; thus deducing the highest exercise of criminal jurisdiction, by reasonable and necessary inference, from the general authority. But I forbear from traversing a field already so fully explored.

There are one or two other remarks, sir, in the gentleman's speech, which I must not entirely omit to notice.

In speaking of the beneficial effects of this measure, one, he says, would be, that "the weight of the banks would be taken from

the side of the *tax-consumers*, where it has been, from the commencement of the Government, and placed on the side of the *tax-payers*. This great division of the community necessarily grows out of the fiscal action of the Government."

Sir, I utterly deny that there is the least foundation, in fact, for this distinction. It is an odious distinction, calculated to inspire envy and hatred; and being, as I think, wholly groundless, its suggestion, and the endeavor to maintain it, ought to be resisted, and repelled. We are all tax-payers, in the United States, who use articles on which imposts are laid; and who is there that is excused from this tax, or does not pay his proper part of it, according to his consumption? Certainly no one.

On the other hand, who are the tax-consumers? Clearly, the army, the navy, the laborers on public works, and other persons in Government employment. But even these are not idle consumers; they are agents of the Government and of the people. Pensioners may be considered as persons who enjoy benefit from the public taxes of the country, without rendering present service in return; but the legal provision for them stands on the ground of previous merits, which none deny. If we had a vast national debt, the annual interest of which was a charge upon the country, the holders of this debt might be considered as tax-consumers. But we have no such debt. If the distinction, therefore, which the gentleman states exists anywhere, most certainly it does not exist here. And I cannot but exceedingly regret that sentiments and opinions should be expressed here, having so little foundation, and yet so well calculated to spread prejudice and dislike, far and wide, against the Government and institutions of the country.

But, sir, I have extended these remarks already to a length for which I find no justification but in my profound conviction of the importance of this crisis in our national affairs. We are, as it seems to me, about to rush madly from our proper spheres. We are to relinquish the performance of our own incumbent duties; to abandon the exercise of essential powers, confided by the constitution to our hands, for the good of the country. This was my opinion in September—it is my opinion now. What we propose to do, and what we omit to do, are, in my judgment, likely to make a fearful, perhaps a fatal, inroad upon the unity of commerce between these States, as well as to embarrass and harass the employments of the people, and to prolong existing evils.

Sir, whatever we may think of it now, the constitution had its immediate origin in the conviction of the necessity for this uniformity, or identity, in commercial regulations.

The whole history of the country, of every year and every month, from the close of the war of the Revolution to 1789, proves this. Over whatever other interests it was made to extend, and whatever other blessings it now does, or hereafter may, confer on the millions of free citizens who do or shall live under its protection; even though in time to come, it should raise a pyramid of power and

grandeur, whose apex should look down, on the loftiest political structures of other nations and other ages, it will yet be true, that it was itself the child of pressing commercial necessity. Unity and identity of commerce among all the States was its seminal principle. It had been found absolutely impossible to excite or foster enterprise in trade, under the influence of discordant and jarring State regulations. The country was losing all the advantages of its position. The Revolution itself was beginning to be regarded as a doubtful blessing. The ocean before us was a barren waste. No American canvass whitened its bosom—no keels of ours ploughed it waters. The journals of the Congress of the Confederation show the most constant, unceasing, unwearied, but always unsuccesful appeals to the States and the people, to renovate the system, to infuse into that Confederation at once a spirit of union and a spirit of activity, by conferring on Congress the power over trade. By nothing but the perception of its indispensable necessity—by nothing but their consciousness of suffering from its want, were the States and the people brought, and brought by slow degrees, to invest this power, in a permanent and competent Government.

Sir, hearken to the fervent language of the old Congress, in July, 1785, in a letter addressed to the States, prepared by Mr. Monroe, Mr. King, and other great names, now transferred from the lists of living men, to the records which carry down the fame of the distinguished dead. The proposition before them, the great objects to which they so solicitously endeavored to draw the attention of the States, was this, viz: that "the United States, in Congress assembled, should have the sole and exclusive right of regulating the trade of the States, as well with foreign nations as with each other." This, they say, is urged upon the States by every consideration of local as well as of federal policy; and they beseech them to agree to it, if they wish to promote the strength of the Union, and to connect it by the strongest ties of interest and affection. This was in July, 1785.

In the same spirit, and for the same end, was that most important resolution which was adopted in the House of Delegates of Virginia, on the 21st day of the following January. Sir, I read the resolution entire.

"*Resolved*, That Edmund Randolph, and others, be appointed commissioners, who, or any five of whom, shall meet such commissioners as may be appointed by the other States in the Union, at a time and place to be agreed on, to take into consideration the trade of the United States; to examine the relative situations and trade of the said States; to consider how far a uniform system in their commercial regulations may be necessary to their common interest and their permanent harmony, and to report to the several States such an act relative to this great object, as, when unanimously ratified by them, will enable the United States, in Congress assembled, effectually to provide for the same: that the said commissioners shall immediately transmit to the several States, copies of the preceding res-

lution, with a circular letter requesting their concurrence therein, and proposing a time and place for the meeting aforesaid."

Here, sir, let us pause. Let us linger, at the waters of this original fountain. Let us contemplate this, the first step, in that series of proceedings, so full of great events to us and to the world. Notwithstanding the embarrassment and distress of the country, the recommendation of the old Congress had not been complied with. Every attempt to bring the State Legislatures into any harmony of action, or any pursuit of a common object, had signally and disastrously failed. The exigency of the case called for a new movement; for a more direct and powerful attempt to bring the good sense and patriotism of the country into action upon the crisis. A solemn assembly was therefore proposed—a general convention of delegates from all the States. And now, sir, what was the exigency? What was this crisis? Look at the resolution itself; there is not an idea in it but trade. Commerce! commerce! is the beginning and end of it. The subject to be considered and examined was "the relative situation of the trade of the States;" and the object to be obtained was the "establishment of a uniform system in their commercial regulations, as necessary to the common interest and their permanent harmony." This is all. And, sir, by the adoption of this ever-memorable resolution, the House of Delegates of Virginia, on the 21st day of January, 1786, performed the first act in the train of measures which resulted in that constitution, under the authority of which you now sit in that chair, and I have now the honor of addressing the members of this body.

Mr. President, I am a Northern man. I am attached to one of the States of the North, by the ties of birth and parentage, education, and the associations of early life; and by sincere gratitude for proofs of public confidence early bestowed. I am bound to another Northern State by adoption, by long residence, by all the cords of social and domestic life, and by an attachment and regard, springing from her manifestation of approbation and favor, which grapple me to her with hooks of steel. And yet, sir, with the same sincerity of respect, the same deep gratitude, the same reverence, and hearty good will, with which I would pay a similar tribute to either of these States, do I here acknowledge the Commonwealth of Virginia to be entitled to the honor of commencing the work of establishing this constitution. The honor is hers; let her enjoy it; let her forever wear it proudly; there is not a brighter jewel in the tiara that adorns her brow. Let this resolution stand, illustrating her records, and blazoning her name through all time!

The meeting, sir, proposed by the resolution was holden. It took place, as all know, in Annapolis, in May of the same year; but it was thinly attended, and its members, very wisely, adopted measures to bring about a fuller and more general convention. Their letter to the States on this occasion is full of instruction. It shows their sense of the unfortunate condition of the country. In their meditations on the subject, they saw the extent to which the commercial power

must necessarily extend. The sagacity of New Jersey had led her, in agreeing to the original proposition of Virginia, to enlarge the object of the appointment of commissioners, so as to embrace not only commercial regulations, *but other important matters.* This suggestion the commissioners adopted, because they thought, as they inform us, "that the power of regulating trade is of such comprehensive extent, and will enter so far into the general system of the Federal Government, that to give it efficacy, and to obviate questions and doubts concerning its precise nature and limits, might require a correspondent adjustment of other parts of the Federal system." Here you see, sir, that other powers, such as are now in the constitution, were expected to branch out of the necessary commercial power; and, therefore, the letter of the commissioners concludes with recommending a general convention, "to take into consideration the *whole situation of the United States,* and to devise such further provisions as should appear necessary to render the constitution of the Federal Government adequate to the exigencies of the Union."

The result of that convention was the present constitution. And yet, in the midst of all this flood of light, respecting its original objects and purposes, and with all the adequate powers which it confers, we abandon the commerce of the country, we betray its interests, we turn ourselves away from its most trying necessities. Sir, it will be a fact, stamped in deep and dark lines upon our annals; it will be a truth, which in all time can never be denied or evaded, that if this constitution shall not, now and hereafter, be so administered as to maintain a uniform system in all matters of trade; if it shall not protect and regulate the commerce of the country, in all its great interests, in its foreign intercourse, in its domestic intercourse, in its navigation, in its currency, in every thing which fairly belongs to the whole idea of commerce, either as an end, an agent, or an instrument, then that constitution will have failed, utterly failed to accomplish the precise, distinct, original object, in which it had its being.

In matters of trade, we were no longer to be Georgians, Virginians, Pennsylvanians, or Massachusetts men. We were to have but one commerce, and that the commerce of the United States. There were not to be separate flags, waving over separate commercial systems. There was to be one flag, the E PLURIBUS UNUM; and toward that was to be that rally of united interests and affections, which our fathers had so earnestly invoked.

Mr. President, this unity of commercial regulation is, in my opinion, indispensable to the safety of the union of the States themselves. In peace it is its strongest tie. I care not, sir, on what side, or in which of its branches, it may be attacked. Every successful attack upon it, made anywhere, weakens the whole, and renders the next assault easier and more dangerous. Any denial of its just power is an attack upon it. We attack it, most fiercely attack it, whenever we say we will not exercise the powers which it enjoins. If the Court had yielded to the pretensions of respectable States upon the subject of steam navigation, and to the retaliatory proceedings of other

States; if retreat and excuse, and disavowal of power had been prevailing sentiments then, in what condition, at this moment, let me ask, would the steam navigation of the country be found? To us, sir, to us, his countrymen, to us, who feel so much admiration for his genius, and so much gratitude for his services, Fulton would have lived almost in vain. State grants and State exclusions would have covered over all our waters.

Sir, it is in the nature of such things, that the first violation, or the first departure from true principles, draws more important violations or departures after it; and the first surrender of just authority will be followed by others more to be deplored. If commerce be a unit, to break it in any one part, is to decree its ultimate dismemberment in all. If there be made a first chasm, though it be small, through that the whole wild ocean will pour in, and we may then throw up embankments in vain.

Sir, the spirit of union is particularly liable to temptation and seduction, in moments of peace and prosperity. In war, this spirit is strengthened by a sense of common danger, and by a thousand recollections of ancient efforts and ancient glory in a common cause. In the calms of a long peace, and the absence of all apparent causes of alarm, things near gain an ascendency over things remote. Local interests and feelings overshadow national sentiments. Our attention, our regard, and our attachment, are every moment solicited to what touches us closest, and we feel less and less the attraction of a distant orb. Such tendencies, we are bound by true patriotism, and by our love of union, to resist. This is our duty; and the moment, in my judgment, has arrived when that duty is summoned to action. We hear, every day, sentiments and arguments, which would become a meeting of envoys, employed by separate Governments, more than they become the common Legislature of a united country. Constant appeals are made to local interests, to geographical distinctions, and to the policy and the pride of particular States. It would sometimes appear that it was, or as if it were, a settled purpose, to convince the people that our Union is nothing but a jumble of different and discordant interests, which must, ere long, be all returned to their original state of separate existence; as if, therefore, it was of no great value while it should last, and was not likely to last long. The process of disintegration begins, by urging the fact of different interests.

Sir, is not the end obvious, to which all this leads us? Who does not see that, if convictions of this kind take possession of the public mind, our Union can hereafter be nothing, while it remains, but a connexion without harmony; a bond without affection; a theatre for the angry contests of local feelings, local objects, and local jealousies? Even while it continues to exist, in name, it may, by these means, become nothing but the mere form of a united Government. My children, and the children of those who sit around me, may meet, perhaps, in this Chamber, in the next generation; but if tendencies, now but too obvious, be not checked, they will meet as

strangers and aliens. They will feel no sense of common interest or common country: they will cherish no common object of patriotic love. If the same Saxon language shall fall from their lips, it may be the chief proof that they belong to the same nation. Its vital principle exhausted and gone, its power of doing good terminated, now productive only of strife and contention, and no longer sustained by a sense of common interest, the Union itself must ultimately fall, dishonored and unlamented.

The honorable member from Carolina himself, habitually indulges in charges of usurpation and oppression against the Government of his country. He daily denounces its important measures, in the language in which our revolutionary fathers spoke of the oppressions of the mother country. Not merely against Executive usurpation, either real or supposed, does he utter these sentiments; but against laws of Congress, laws passed by large majorities, laws sanctioned, for a course of years, by the people. These laws he proclaims, every hour, to be but a series of acts of oppression. He speaks of them as if it were an admitted fact, that such is their true character. This is the language which he utters, these the sentiments he expresses, to the rising generation around him. Are they sentiments and language which are likely to inspire our children with the love of union, to enlarge their patriotism, or to teach them, and to make them feel, that their destiny has made them common citizens of one great and glorious republic? A principal object, in his late political movements, the gentleman himself tells us, was to *unite the entire South;* and against whom, or against what, does he wish to unite the entire South? Is not this the very essence of local feeling and local regard? Is it not the acknowledgment of a wish and object, to create political strength, by uniting political opinions geographically? While the gentleman thus wishes to unite the entire South, I pray to know, sir, if he expects me to turn toward the polar-star, and, acting on the same principle, to utter a cry of Rally! to the whole North? Heaven forbid! To the day of my death, neither he nor others shall hear such a cry from me.

Finally, the honorable member declares that he shall now march off, under the banner of State rights! March off from whom? March off from what? We have been contending for great principles. We have been struggling to maintain the liberty and to restore the prosperity of the country; we have made these struggles here, in the national councils, with the old flag, the true American flag, the Eagle, and the Stars and Stripes, waving over the Chamber in which we sit. He now tells us, however, that he marches off under the State-rights banner!

Let him go. I remain. I am, where I ever have been, and ever mean to be. Here, standing on the platform of the general constitution—a platform, broad enough, and firm enough, to uphold every interest of the whole country—I shall still be found. Intrusted with some part in the administration of that constitution, I intend to act in its spirit, and in the spirit of those who framed it.

Yes, sir, I would act as if our fathers, who formed it for us, and who bequeathed it to us, were looking on us—as if I could see their venerable forms, bending down to behold us, from the abodes above. I would act, too, sir, as if that long line of posterity were also viewing us, whose eye is hereafter to scrutinize our conduct.

Standing thus, as in the full gaze of our ancestors, and our posterity, having received this inheritance from the former, to be transmitted to the latter; and feeling, that if I am born for any good, in my day and generation, it is for the good of the whole country; no local policy, or local feeling, no temporary impulse, shall induce me to yield my foothold on the Constitution and the Union. I move off, under no banner, not known to the whole American People, and to their constitution and laws. No, sir, these walls, these columns

"fly
From their firm base as soon as I."

I came into public life, sir, in the service of the United States. On that broad altar, my earliest, and all my public vows, have been made. I propose to serve no other master. So far as depends on any agency of mine, they shall continue united States; united in interest and in affection; united in every thing in regard to which the constitution has decreed their union; united in war, for the common defence, the common renown, and the common glory; and united, compacted, knit firmly together in peace, for the common prosperity and happiness of ourselves and our children.

# MR. WEBSTER'S SPEECH

## IN ANSWER TO MR. CALHOUN,

MARCH 22, 1838.

# SPEECH.

On Thursday, the 22d of March, Mr. CALHOUN spoke at length in answer to Mr. WEBSTER's speech of March 12.

When he had concluded, Mr. WEBSTER immediately rose, and addressed the Senate as follows:

Mr. PRESIDENT:

I came rather late to the Senate this morning, and happening to meet a friend on the avenue, I was admonished by him to hasten my steps, as "the war was to be carried into Africa," and I was expected to be annihilated. I lost no time in following the advice, sir, since it would be awkward for one to be annihilated without knowing any thing about it.

Well, sir, the war has been brought into Africa. The honorable member has made an expedition into regions as remote from the subject of this debate as the orb of Jupiter from that of our earth. He has spoken of the tariff, of slavery, and of the late war. Of all this I do not complain. On the contrary, if it be his pleasure to allude to all, or any of these topics, for any purpose whatever, I am ready at all times to hear him.

Sir, this carrying the war into Africa, which has become so common a phrase among us, is, indeed, imitating a great example; but it is an example which is not always followed by success. In the first place, sir, every man, though he be a man of talent and genius, is not a Scipio; and in the next place, as I recollect this part of Roman and Carthaginian history—the gentleman may be more accurate—but as I recollect it, when Scipio resolved upon carrying the war into Africa, Hannibal was not at home. Now, sir, I am very little like Hannibal, but I am at home; and when Scipio Africanus South Carolinaensis brings the war into my territories, I shall not leave their defence to Asdrubal, nor Syphax, nor any body else. I meet him on the shore, on his landing, and propose but one contest.

"Concurritur;
"Aut cita mors, aut victoria læta."

Mr. President, I had made up my mind that if the honorable gentleman should confine himself to a reply, in the ordinary way, I would not say another syllable. But he has not done so. He has gone off into subjects quite remote from all connexion with revenue,

commerce, finance, or sub-treasuries, and invites to a discussion which, however uninteresting to the public at the present moment, is too personal to be declined by me.

He says, sir, that I had undertaken to compare my political character and conduct with his. Far from it. I attempted no such thing. I compared the gentleman's political opinions at different times, with one another, and expressed decided opposition to those which he now holds. And I did, certainly, advert to the general tone and drift of the gentleman's sentiments and expressions, for some years past, in their bearing on the Union, with such remarks as I thought they deserved; but I instituted no comparison between him and myself. He may institute one, if he pleases, and when he pleases. Seeking nothing of this kind, I avoid nothing. Let it be remembered, that the gentleman began the debate, by attempting to exhibit a contrast between the present opinions and conduct of my friends and myself, and our recent opinions and conduct. Here is the first charge of inconsistency; let the public judge, whether he has made it good. He says, sir, that on several questions I have taken different sides, at different times: let him show it. If he shows any change of opinion, I shall be called on to give a reason, and to account for it. I leave it to the country to say whether, as yet, he has shown any such thing.

But, sir, before attempting that, he has something else to say. He had prepared, it seems, to draw comparisons himself. He had intended to say something, if time had allowed, upon our respective opinions and conduct in regard to the war. If time had allowed! Sir, time does allow—time must allow. A general remark of that kind ought not to be, cannot be, left to produce its effect, when that effect is obviously intended to be unfavorable. Why did the gentleman allude to my votes, or my opinions, respecting the war, at all, unless he had something to say? Does he wish to leave an undefined impression that something was done, or something said, by me, not now capable of defence or justification? something not reconcileable with true patriotism? He means that, or nothing. And now, sir, let him bring the matter forth: let him take the responsibility of the accusation: let him state his facts. I am here to answer: I am here, this day, to answer. Now is the time, and now the hour. I think we read, sir, that one of the good spirits would not bring against the arch enemy of mankind a railing accusation; and what is railing, but general reproach—an imputation, without fact, time, or circumstance? Sir, I call for particulars. The gentleman knows my whole conduct well: indeed, the journals show it all, from the moment I came into Congress till the peace. If I have done, then, sir, any thing unpatriotic—any thing which, as far as love to country goes, will not bear comparison with his, or any man's conduct—let it now be stated. Give me the fact, the time, the manner. He speaks of the war; that which we call the late war, though it is now twenty-five years since it terminated. He would leave an impression that I opposed it. How? I was not in Congress when war was declared, nor in public life, anywhere. I was pursuing my profession, and keeping com-

pany with judges, sheriffs, and jurors, and plaintiffs and defendants. If I had been in Congress, and had enjoyed the benefit of hearing the honorable gentleman's speeches, for all I can say, I might have concurred with him. But I was not in public life. I never had been, for a single hour; and was in no situation, therefore, to oppose or to support the declaration of war. I am speaking to the fact, sir; and if the gentleman has any fact, let us know it.

Well, sir, I came into Congress during the war. I found it waged, and raging. And what did I do here to oppose it? Look to the journals. Let the honorable gentleman tax his memory. Bring up any thing, if there be any thing to bring up—not showing error of opinion, but showing want of loyalty or fidelity to the country. I did not agree to all that was proposed, nor did the honorable member. I did not approve of every measure, nor did he.

The war had been preceded by the restrictive system, and the embargo. As a private individual, I certainly did not think well of these measures. It appeared to me the embargo annoyed us as much as our enemies, while it destroyed the business and cramped the spirits of the people.

In this opinion I may have been right or wrong, but the gentleman was himself of the same opinion. He told us, the other day, as a proof of his independence of party, on great questions, that he differed with his friends on the subject of the embargo. He was decidedly and unalterably opposed to it. It furnishes, in his judgment, therefore, no imputation either on my patriotism, or the soundness of my political opinions, that I was opposed to it also. I mean opposed in opinion: for I was not in Congress, and had nothing to do with the act creating the embargo. And as to opposition to measures for carrying on the war, after I came into Congress, I again say, let the gentleman specify—let him lay his finger on any thing, calling for an answer, and he shall have an answer.

Mr. President, you were yourself in the House during a considerable part of this time. The honorable gentleman may make a witness of you. He may make a witness of any body else. He may be his own witness. Give us but some fact, some charge, something capable in itself either of being proved or disproved. Prove any thing, state any thing, not consistent with honorable and patriotic conduct, and I am ready to answer it. Sir, I am glad this subject has been alluded to, in a manner which justifies me in taking public notice of it; because I am well aware that, for ten years past, infinite pains have been taken to find something, in the range of these topics, which might create prejudice against me in the country. The journals have all been poured over, and the reports ransacked, and scraps of paragraphs, and half sentences have been collected, put together in the falsest manner, and then made to flare out, as if there had been some discovery. But all this failed. The next resort was to supposed correspondence. My letters were sought for, to learn if in the confidence of private friendship I had never said any thing which an enemy could make use of. With this view, the vicinity of my former resi-

dence has been searched, as with a lighted candle. New Hampshire has been explored, from the mouth of the Merrimack to the White Hills. In one instance a gentleman had left the State, gone five hundred miles off, and died. His papers were examined—a letter was found, and I have understood it was brought to Washington—a conclave was held to consider it, and the result was, that if there was nothing else against Mr. Webster, the matter had better be let alone. Sir, I hope to make every body of that opinion who brings against me a charge of want of patriotism. Errors of opinion can be found, doubtless, on many subjects; but as conduct flows from the feelings which animate the heart, I know that no act of my life has had its origin in the want of ardent love of country.

Sir, when I came to Congress, I found the honorable gentleman a leading member of the House of Representatives. Well, sir, in what did we differ? One of the first measures of magnitude, after I came here, was Mr. Dallas's proposition for a bank. It was a war measure. It was urged as being absolutely necessary to enable Government to carry on the war. Government wanted revenue—such a bank it was hoped would furnish it; and on that account it was most warmly pressed and urged on Congress. You remember all this, Mr. President. You remember how much some persons supposed the success of the war and the salvation of the country depended on carrying that measure. Yet, the honorable member from South Carolina opposed this bill. He now takes to himself a good deal of merit—none too much, but still a good deal of merit, for having defeated it. Well, sir, I agreed with him. It was a mere paper bank—a mere machine for fabricating irredeemable paper. It was a new form for paper money; and instead of benefiting the country, I thought it would plunge it deeper and deeper in difficulty. I made a speech on the subject: It has often been quoted. There it is; let whoever pleases, read and examine it. I am not proud of it, for any ability it exhibits; on the other hand, I am not ashamed of it, for the spirit which it manifests. But, sir, I say again, that the gentleman himself took the lead, against this measure—this darling measure of the Administration. I followed him; if I was seduced into error, or into unjustifiable opposition, there sits my seducer.

What, sir, were other leading sentiments, or leading measures of that day? On what other subjects did men differ? The gentleman has adverted to one, and that a most important one; I mean the navy. He says, and says truly, that at the commencement of the war, the navy was unpopular. It was unpopular with his friends, who then controlled the politics of the country. But he says he differed with his friends; in this respect, he resisted party influence, and party connexion, and was the friend and advocate of the navy. Sir, I commend him for it. He showed his wisdom. That gallant little navy soon fought itself into favor, and showed that no man, who had placed reliance on it, had been disappointed.

Well, sir, in all this, I was exactly of the same opinion as the honorable gentleman.

Sir, I do not know when my opinion of the importance of a naval force to the United States had its origin. I can give no date to my sentiments on this subject, because I never entertained different sentiments. I remember, sir, that immediately after coming into my profession, at a period when the navy was most unpopular, when it was called by all sorts of hard names, and designated by many coarse epithets, on one of those occasions, on which young men address their neighbors, I ventured to put forth a boy's hand in defence of the navy. I insisted on its importance, its adaptation to our circumstances, and to our national character; and its indispensable necessity, if we intended to maintain and extend our commerce. These opinions and sentiments I brought into Congress; and, so far as I remember, it was the first, or among the first times, in which I presumed to speak on the topics of the day, that I attempted to urge on the House a greater attention to the naval service. There were divers modes of prosecuting the war. On these modes, or on the degree of attention and expense which should be bestowed on each, different men held different opinions. I confess I looked with most hope to the results of naval warfare, and therefore I invoked Government to invigorate and strengthen that arm of the national defence. I invoked it to seek its enemy upon the seas—to go where every auspicious indication pointed, and where the whole heart and soul of the country would go with it.

Sir, we were at war with the greatest maritime Power on earth. England had gained an ascendency on the seas over the whole combined Powers of Europe. She had been at war twenty years. She had tried her fortunes on the continent, but generally with no success. At one time the whole continent had closed against her. A long line of armed exterior, an unbroken hostile array, frowned upon her from the gulf of Archangel, round the promontory of Spain and Portugal, to the foot of the boot of Italy. There was not a port, which an English ship could enter. Every where on the land the genius of her great enemy had triumphed. He had defeated armies, crushed coalitions, and overturned thrones; but, like the fabled giants, he was unconquerable only while he touched the land. On the ocean, he was powerless. That field of fame was his adversary's, and her meteor flag was streaming in triumph all over it.

To her maritime ascendency, England owed every thing, and we were now at war with her. One of the most charming of her poets had said of her, that

> "Her march is o'er the mountain wave,
> "Her home is on the deep."

Now, sir, since we were at war with her, I was for intercepting this march; I was for calling upon her, and paying our respects to her at home; I was for giving her to know that we, too, had a right of way over the seas, and that our marine officers and our sailors were not entire strangers on the bosom of the deep; I

was for doing something more with our navy, than to keep it on our shores, for the protection of our own coasts and own harbors; I was for giving play to its gallant and burning spirit; for allowing it to go forth upon the seas, and to encounter, on an open and an equal field, whatever the proudest or the bravest of the enemy could bring against it. I knew the character of its officers, and the spirit of its seamen; and I knew that, in their hands, though the flag of the country might go down to the bottom, while they went with it, yet that it could never be dishonored or disgraced.

Since she was our enemy—and a most powerful enemy—I was for touching her, if we could, in the very apple of her eye; for reaching the highest feather in her cap; for clutching at the very brightest jewel in her crown. There seemed to me to be a peculiar propriety in all this, as the war was undertaken for the redress of maritime injuries alone. It was a war declared for free trade and sailors' rights. The ocean, therefore, was the proper theatre for deciding this controversy with our enemy, and on that theatre my ardent wish was, that our own power should be concentrated to the utmost.

So much, sir, for the war, and for my conduct and opinions as connected with it. And, as I do not mean to recur to this subject often, nor ever, unless indispensably necessary, I repeat the demand for any charge, any accusation, any allegation whatever, that throws me behind the honorable gentleman, or behind any other man, in honor, in fidelity, in devoted love to that country in which I was born, which has honored me, and which I serve. I, who seldom deal in defiance, now, here, in my place, boldly defy the honorable member to put his insinuation in the form of a charge, and to support that charge by any proof whatever.

The gentleman has adverted to the subject of slavery. On this subject, he says I have not proved myself a friend to the South. Why, sir, the only proof is, that I did not vote for his resolutions.

Sir, this is a very grave matter, it is a subject, very exciting and inflammable. I take, of course, all the responsibility belonging to my opinions; but I desire these opinions to be understood, and fairly stated. If I am to be regarded as an enemy to the South, because I could not support the gentleman's resolutions, be it so. I cannot purchase favor, from any quarter, by the sacrifice of clear and conscientious convictions. The principal resolution declared that Congress had plighted its faith, not to interfere, either with slavery or the slave trade, in the District of Columbia.

Now, sir, this is quite a new idea. I never heard it advanced until this session. I have heard gentlemen contend, that no such power was in the constitution; but the notion, that though the constitution contained no prohibition, yet that Congress had plighted its faith, not to exercise such a power, is an entire novelty, so far as I know. I must say, sir, it appeared to me little else than an attempt to put a prohibition into the constitution, because there was none there already. For this supposed plighting of the public faith, or the faith of Congress, I saw no ground, either in the history of the

Government, or in any one fact, or in any argument. I therefore could not vote for the proposition.

Sir, it is now several years, since I took care to make my opinion known, that this Government has, constitutionally, nothing to do with slavery, as it exists in the States. That opinion is entirely unchanged. I stand steadily by the resolution of the House of Representatives, adopted, after much consideration, at the commencement of the Government—which was, that Congress have no authority to interfere in the emancipation of slaves, or in the treatment of them, within any of the States; it remaining with the several States alone to provide any regulations therein, which humanity and true policy may require. This, in my opinion, is the constitution, and the law. I feel bound by it. I have quoted the resolution often. It expresses the judgment of men of all parts of the country, deliberately formed, in a cool time; and it expresses my judgment, and I shall adhere to it. But this has nothing to do with the other constitutional question; that is to say, the mere constitutional question, whether Congress has the power to regulate slavery and the slave trade, in the District of Columbia.

On such a question, sir, when I am asked what the constitution is, or whether any power granted by it, has been compromised away; or, indeed, could be compromised away—I must express my honest opinion, and always shall express it, if I say any thing, notwithstanding it may not meet concurrence either in the South, or the North, or the East, or the West. I cannot express, by my vote, what I do not believe.

He has chosen to bring that subject into this debate, with which it has no concern, but he may make the most of it, if he thinks he can produce unfavorable impressions on the South, from my negative to his fifth resolution. As to the rest of them, they were commonplaces, generally, or abstractions; in regard to which, one may well not feel himself called on to vote at all.

And now, sir, in regard to the tariff. That is a long chapter, but I am quite ready to go over it with the honorable member.

He charges me with inconsistency. That may depend on deciding what inconsistency is, in respect to such subjects, and how it is to be proved. I will state the facts, for I have them in my mind somewhat more fully than the honorable member has himself presented them. Let us begin at the beginning. In 1816, I voted against the tariff law, which then passed. In 1824, I again voted against the tariff law, which was then proposed, and which passed. A majority of New England votes, in 1824, was against the tariff system. The bill received but one vote from Massachusetts; but it passed. The policy was established; New England acquiesced in it, conformed her business and pursuits to it; embarked her capital, and employed her labor, in manufactures; and I certainly admit that, from that time, I have felt bound to support interests thus called into being, and into importance, by the settled policy of the Government. I have stated

this often here, and often elsewhere. The ground is defensible, and I maintain it.

As to the resolutions adopted in Boston, in 1820, and which resolutions he has caused to be read, and which he says he presumes I prepared, I have no recollection of having drawn the resolutions, and do not believe I did. But I was at the meeting, and addressed the meeting, and what I said on that occasion has been produced here, and read in the Senate years ago.

The resolutions, sir, were opposed to the commencing of a high tariff policy. I was opposed to it, and spoke against it—the city of Boston was opposed to it—the Commonwealth of Massachusetts was opposed to it. Remember, sir, that this was in 1820. This opposition continued till 1824. The votes all show this. But in 1824, the question was decided; the Government entered upon the policy; it invited men to embark their property and their means of living in it. Individuals have done this to a great extent; and, therefore, I say, so long as the manufactures shall need reasonable and just protection from Government, I shall be disposed to give it to them. What is there, sir, in all this, for the gentleman to complain of? Would he have us always oppose the policy, adopted by the country, on a great question? Would he have minorities never submit to the will of majorities?

I remember to have said, sir, at the meeting in Faneuil hall, that protection appeared to be regarded as incidental to revenue, and that the incident could not be carried fairly above the principal: in other words, that duties ought not to be laid for the mere object of protection. I believe that was substantially correct. I believe that if the power of protection be inferred only from the revenue power, the protection could only be incidental.

But, I have said in this place before, and I repeat now, that Mr. Madison's publication, after that period, and his declaration that the convention did intend to grant the power of protection, under the commercial clause, placed the subject in a new and a clear light. I will add, sir, that a paper drawn up by Dr. Franklin, and read by him to a circle of friends in Philadelphia, on the eve of the assembling of the convention, respecting the powers which the proposed new Government ought to possess, shows, perfectly plainly, that, in regulating commerce, it was expected Congress would adopt a course, which should, to some degree, protect the manufactures of the North. He certainly went into the convention himself under that conviction.

Well, sir, and now what does the gentleman make out against me in relation to the tariff? What laurels does he gather in this part of Africa? I opposed the *policy* of the tariff, until it had become the settled and established policy of the country. I have never questioned the constitutional power of Congress to grant protection, except so far as the remark goes, made in Faneuil hall, which remark respects only the length to which protection might properly be carried, so far as the power is derived from the authority to lay duties on imports. But the policy being established, and a great part of

the country having placed vast interests at stake in it, I have not disturbed it; but, on the contrary, I have insisted that it ought not to be disturbed. If there be inconsistency in all this the gentleman is at liberty to blazen it forth; let him see what he can make of it.

Here, sir, I cease to speak of myself; and respectfully ask pardon of the Senate for having so long detained it, upon any thing so unimportant as what relates merely to my own public conduct and opinions.

Sir, the honorable member is pleased to suppose that our spleen is excited, because he has interfered to snatch from us a victory over the Administration. If he means by this any personal disappointment, I shall not think it worth while to make a remark upon it. If he means a disappointment at his quitting us while we were endeavoring to arrest the present policy of the Administration, why, then, I admit, sir, that I, for one, felt that disappointment deeply. It is the policy of the Administration, its principles, and its measures, which I oppose. It is not persons, but things; not men, but measures. I do wish most fervently to put an end to this anti-commercial policy; and if the overthrow of the policy shall be followed by the political defeat of its authors, why, sir, it is a result which I shall endeavor to meet with equanimity.

Sir, as to the honorable member's rescuing the victory from us, or as to his ability to sustain the Administration in this policy, there may be a drachm of a scruple about that. I trust the citadel will yet be stormed, and carried, by the force of public opinion, and that no Hector will be able to defend its walls.

But now, sir, I must advert to a declaration of the honorable member, which, I confess did surprise me. The honorable member says, that, personally, he and myself have been on friendly terms, but that we always differed on great constitutional questions! Sir, this is astounding. And yet I was partly prepared for it; for I sat here the other day, and held my breath, while the honorable gentleman declared and repeated, that he always belonged to the State-rights party! And he means, by what he has declared to-day, that he has always given to the Constitution a construction more limited, better guarded, less favorable to the extension of the powers of this Government, than that which I have given to it. He has always interpreted it according to the strict doctrine of the school of State rights! Sir, if the honorable member ever belonged, until very lately, to the State-rights party, the connexion was very much like a secret marriage. And never was secret better kept. Not only were the espousals not acknowledged, but all suspicion was avoided. There was no known familiarity, or even kindness between them. On the contrary, they acted like parties who were not at all fond of each other's company.

Sir, is there a man, in my hearing, among all the gentlemen now surrounding us, many of whom of both Houses, have been here many years, and know the gentleman and myself, perfectly; is there one, who ever heard, supposed, or dreamed, that the honorable member

belonged to the State-rights party before the year 1825? Can any such connexion be proved upon him—can he prove it upon himself, before that time?

Sir, I will show you, before I resume my seat, that it was not until after the gentleman took his seat, in the chair which you now occupy, that any public manifestation, or intimation, was ever given by him, of his having embraced the peculiar doctrines of the State-rights party.

The truth is, sir, the honorable gentleman had acted a very important and useful part during the war. But the war terminated. Toward the close of the session of 1814–'15, we received the news of peace. This closed the 13th Congress. In the fall of 1815, the 14th Congress assembled. It was full of ability, and the honorable gentleman stood high among its distinguished members. He remained in the House, sir, through the whole of that Congress; and now, sir, it is easy to be shown, that during those two years, the honorable gentleman took a decided lead, in all those great measures, which he has since so often denounced, as unconstitutional and oppressive—the bank, the tariff, and internal improvements. The war being terminated, the gentleman's mind turned itself toward internal administration and improvement. He surveyed the whole country, contemplated all its resources, saw what it was capable of becoming, and held a political faith, not so narrow and contracted as to restrain him from useful and efficient action. He was, therefore, at once, a full length ahead of all others, in measures, which were national, and which required a broad and liberal construction of the constitution. This is historic truth. Of his agency in the bank, and other measures connected with the currency, I have already spoken, and I do not understand him to deny any thing I have said, in that particular. Indeed, I have said nothing capable of denial.

Now allow me a few words upon the tariff. The tariff of 1816 was distinctly a South Carolina measure. Look at the votes, and you will see it. It was a tariff, for the benefit of South Carolina interests, and carried through Congress by South Carolina votes, and South Carolina influence. Even the *minimum*, sir, the so-much-reproached, the abominable *minimum*, that subject of so much angry indignation and wrathful rhetoric, is of Southern origin, and has a South Carolina parentage.

Sir, the contest on that occasion was, chiefly, between the cotton-growers at home, and the importers of cotton fabrics from India. These India fabrics were made from the cotton of that country. The people of this country were using cotton fabrics, not made of American cotton, and, so far, they were diminishing the demand for such cotton. The importation of India cottons was then very large, and this bill was designed to put an end to it, and, with the help of the *minimum*, it did put an end to it. The cotton manufactures of the North were then in their infancy. They had some friends in Congress, but if I recollect, the majority of Massachusetts members, and of New England members were against this cotton tariff of 1816. I

remember well, that the main debate was, between the importers of India cottons, in the North, and the cotton-growers of the South. The gentleman cannot deny the truth of this or any part of it. Boston opposed this tariff, and Salem opposed it, warmly and vigorously. But the honorable member supported it, and the law passed. And now be it always remembered, sir, that that act passed on the professed ground of protection; that it had in it the *minimum* principle, and that the honorable member and other leading gentlemen from his own State, supported it, voted for it, and carried it through Congress.

And now, sir, we come to the doctrine of internal improvement—that other usurpation, that other oppression, which has come so near to justifying violent abruption of the Government, and scattering the fragments of the Union to the four winds. Have the gentleman's State-rights opinions always kept him aloof from such unhallowed infringements of the constitution? He says he always differed with me on constitutional questions. How was it in this, most important, particular? Has he here stood on the ramparts, brandishing his glittering sword against assailants, and holding out a banner of defiance? Sir—sir—sir—it is an indisputable truth, that he is himself the man—the *ipse* that first brought forward, in Congress, a scheme of general internal improvement, at the expense, and under the authority of this Government. He, sir, is the very man, the *ipsissimus ipse*, who, considerately, and on a settled system, began these unconstitutional measures, if they be unconstitutional. And now for the proof.

The act incorporating the Bank of the United States was passed in April, 1816. For the privileges of the charter, the proprietors of the bank were to pay to Government a *bonus*, as it was called, of one million five hundred thousand dollars, in certain instalments. Government also took seven millions in the stock of the bank. Early in the next session of Congress—that is, in December, 1816—the honorable member moved, in the House of Representatives, that a committee be appointed to consider the propriety of setting apart this *bonus*, and also the dividends on the stock belonging to the United States, as a permanent fund for internal improvement. The committee was appointed, and the honorable member was made its chairman. He thus originated the plan, and took the lead in its execution. Shortly afterwards, he reported a bill carrying out the objects for which the committee had been appointed. This bill provided that the dividends on the seven millions of bank stock belonging to Government, and also the whole of the *bonus*, should be permanently pledged, as a fund for constructing roads and canals; and that this fund should be subject to such specific appropriations as Congress might thereafter make.

This was the bill; and this was the first project ever brought forward, in Congress, for a system of internal improvements. The bill goes the whole doctrine, at a single jump. The Cumberland road, it is true, was already in progress; and for that the gentleman had

also voted. But there were, and are now, peculiarities about that particular expenditure, which sometimes satisfy scrupulous consciences; but this bill of the gentleman's, without equivocation or saving clause—without if, or and, or but—occupied the whole ground at once, and announced internal improvement as one of the objects of this Government, on a grand and systematic plan. The bill, sir, seemed, indeed, too strong. It was thought, by persons not esteemed extremely jealous of State rights, to evince, nevertheless, too little regard to the will of the States. Several gentlemen opposed the measure, in that shape, on that account; and among them Colonel Pickering, then one of the representatives from Massachusetts. Even Timothy Pickering could not quite sanction, nor concur in, the honorable gentleman's doctrines, to their full extent, although he favored the measure in its general character. He, therefore, prepared an amendment, as a substitute; and his substitute provided for two very important things, not embraced in the original bill:

First, that the proportion of the fund to be expended in each State, respectively, should be in proportion to the number of its inhabitants.

Second, that the money should be applied in constructing such roads, canals, &c., in the several States, as Congress might direct, *with the assent of the State.*

This, sir, was Timothy Pickering's amendment of the honorable gentleman's bill. And now, sir, how did the honorable gentleman, who has always belonged to the State-rights party, how did he treat this amendment, or this substitute? Which way, do you think, his State-rights doctrine led him? Why, sir, I will tell you. He immediately rose, and moved to strike out the words *"with the assent of the State!* Here is the journal under my hand, sir; and here is the gentleman's motion. And certainly, sir, it will be admitted, that this motion was not of a nature to intimate that he had become wedded to State rights. But the words were not stricken out. The motion did not prevail. Mr. Pickering's substitute was adopted, and the bill passed the House in that form.

In Committee of the Whole on this bill, sir, the honorable member made a very able speech, both on the policy of internal improvements, and the power of Congress over the subject. These points were fully argued by him. He spoke of the importance of the system; the vast good it would produce, and its favorable effect on the union of the States. "Let us, then," said he, "bind the republic together, with a perfect system of roads and canals. Let us conquer space. It is thus the most distant parts of the republic will be brought within a few days' travel of the centre; it is thus that a citizen of the West will read the news of Boston still moist from the press."

But on the power of Congress to make internal improvements; ay, sir, on the power of Congress, hear him! What were then his rules of construction and interpretation? How did he at that time read and understand the constitution? Why, sir, he said that "he

was no advocate for refined arguments on the constitution. The instrument was not intended as a thesis for the logician to exercise his ingenuity on. It ought to be construed with plain good sense." This is all very just, I think, sir; and he said much more. He quoted many instances of laws, passed, as he contended, on similar principles, and then added, that "he introduced these instances to prove the uniform sense of Congress, and of the country, (for they had not been objected to,) as to our powers; and surely," said he, "they furnish better evidence of the true interpretation of the constitution, than the most refined and subtile arguments."

Here you see, Mr. President, how little original I am. You have heard me, again and again, contending in my place here for the stability of that which has been long settled; you have heard me, till I dare say you have been tired, insisting that the sense of Congress, so often expressed, and the sense of the country, so fully known, and so firmly established, ought to be regarded as having decided, finally, certain constitutional questions. You see now, sir, what authority I have for this mode of argument. But while the scholar is learning, the teacher renounces. Will he apply his old doctrine, now—I sincerely wish he would—to the question of the bank, to the question of the receiving of bank notes by Government, to the power of Congress over the paper currency? Will he, sir, will he admit that these ought to be regarded as decided, by the settled sense of Congress and of the country? Oh! no. Far otherwise. From these rules of judgment, and from the influence of all considerations of this practical nature, the honorable member now takes these questions with him into the upper heights of metaphysics, into the regions of those refinements, and subtile arguments, which he rejected, with so much decision in 1817, as appears by this speech. He quits his old ground of common sense, experience, and the general understanding of the country, for a flight among theories and abstractions.

And now, sir, let me ask, when did the honorable member relinquish these early opinions and principles of his? When did he make known his adhesion to the doctrines of the State-rights party? We have been speaking of transactions in 1816 and 1817. What the gentleman's opinions then were, we have seen. But when did he announce himself a State-rights man? I have already said, sir, that nobody knew of his claiming that character until after the commencement of 1825; and I have said so, because I have before me an address of his to his neighbors at Abbeville, in May of that year, in which he recounts, very properly, the principal incidents in his career, as a member of Congress, and as head of a Department; and in which he says that, as a member of Congress, he had given his zealous efforts in favor of a restoration of specie currency; of a due protection of those manufactures which had taken root during the war, and, finally, of a system for connecting the various parts of the country by a judicious system of internal improvement.

And he adds, that it afterwards became his duty, as a member of the Administration, to aid in sustaining, against the boldest assaults,

those very measures, which, as a member of Congress, he had contributed to establish.

And now, sir, since the honorable gentleman says he differed from me on constitutional questions, will he be pleased to say what constitutional opinion I have ever expressed, for which I have not his express authority? Is it on the bank power? the tariff power? the power of internal improvement? I have shown his votes, his speeches, and his conduct, on all these subjects, up to the time when General Jackson became a candidate for the Presidency. From that time, sir, I know we have differed; but if there was any difference before that time, I call upon him to point it out—what was the occasion, what the question, and what the difference? And if, before that period, sir, by any speech, any vote, any public proceeding, or by any other mode of announcement whatever, he gave the world to know that he belonged to the States-right party, I hope he will now be kind enough to produce it, or to refer to it, or to tell us where we may look for it.

Sir, I will pursue this topic no farther. I would not have pursued it so far—I would not have entered upon it at all—had it not been for the astonishment I felt, mingled, I confess, with something of warmer feeling, when the honorable gentleman declared that he had always differed from me on constitutional questions.

Sir, the honorable member read a quotation or two from a speech of mine in 1816, on the currency or bank question. With what intent, or to what end? What inconsistency does he show? Speaking of the *legal* currency of the country, that is, the coin, I then said it was in a good state. Was not that true? I was speaking of the legal currency; of that which the law made a tender. And how is that inconsistent with any thing said by me now, or ever said by me?

I declared then, he says, that the framers of this Government were hard-money men. Certainly they were. But, are not the friends of a convertible paper *hard-money men*, in every practical and sensible meaning of the term? Did I, in that speech, or any other, insist on excluding all convertible paper from the uses of society? Most assuredly I did not. I never quite so far lost my wits, I think. There is but a single sentence in that speech which I should qualify if I were to deliver it again—and that the honorable member has not noticed. It is a paragraph respecting the power of Congress over the circulation of State banks, which might perhaps need explanation or correction. Understanding it as applicable to the case then before Congress, all the rest is perfectly accordant with my present opinions. It is well known that I never doubted the power of Congress to create a bank; that I was always in favor of a bank, constituted on proper principles; that I voted for the bank bill of 1815, and opposed that of 1816 only on account of one or two of its provisions, which I and others hoped to be able to strike out. I am a hard-money man, and always have been, and always shall be. But I know the great use of such bank paper as is convertible into hard money, on demand;

which may be called specie paper, and which is equivalent to specie in value, and much more convenient and useful.

On the other hand, I abhor all irredeemable paper; all old-fashioned paper money; all deceptive promises; every thing, indeed, in the shape of paper issued for circulation, whether by Government or individuals, which may not be turned into specie at the will of the holder.

But, sir, I have insisted that Government is bound to protect and regulate the means of commerce, to see that there is a sound currency, for the use of the people.

The honorable gentleman asks, what then is the limit? Must Congress also furnish all means of commerce? Must it furnish weights and scales, and steelyards? Most undoubtedly, sir, it must regulate weights and measures, and it does so. But the answer to the general question is very obvious. Government must furnish all that which none but Government can furnish. Government must do that for individuals which individuals cannot do for themselves. That is the very end of Government. Why, else, have we a Government? And can individuals make a currency? Can individuals regulate money? The distinction is as broad and plain as the Pennsylvania avenue. No man can mistake it, or well blunder out of it. The gentleman asks if Government must furnish for the people ships, and boats, and wagons. Certainly not. The gentleman here only recites the President's message of September. These things, and all such things, the people can furnish for themselves; but they cannot make a currency; they cannot, individually, decide what shall be the money of the country. That, every body knows, is one of the prerogatives and one of the duties of Government; and a duty which I think we are most unwisely neglecting. We may as well leave the people to make war and to make peace, each man for himself, as to leave to individuals the regulation of commerce and currency.

Mr. President, there are other remarks of the gentleman of which I might take notice. But, should I do so, I could only repeat what I have already said, either now or heretofore. I shall, therefore, not now allude to them.

My principal purpose, in what I have said, has been: first, to defend myself—that was my first object; and next, as the honorable member has attempted to take to himself the character of a strict constructionist, and a State-rights man, and on that basis to show a difference, not favorable to me, between his constitutional opinions and my own, heretofore, it has been my intention to show that the power to create a bank, the power to regulate the currency by other and direct means, the power to lay a protecting tariff, and the power of internal improvement, in its broadest sense, are all powers which the honorable gentleman himself has supported, has acted on, and in the exercise of which, indeed, he has taken an active and distinguished lead in the councils of Congress.

If this has been done, my purpose is answered. I do not wish to prolong the discussion, nor to spin it out into a colloquy. If the hon-

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